



STRATEGIC GOAL TWO

Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

This Strategic Goal is intended to benefit those small businesses that deal directly with SBA and its established network of resource partners. In FY2004, the SBA empowered individual entrepreneurs to take advantage of the opportunities the market offers by providing knowledge, skills and technical assistance, access to loans and equity, and procurement opportunities either directly or through its partners. While SBA programs benefited all entrepreneurs seeking its assistance, the Agency placed particular emphasis on groups that own and control little productive capital because they have limited opportunities for small business ownership.

SBA also provided products and services to help small businesses enter and grow in international markets. The SBA fulfills these functions through the offices of Capital Access, Entrepreneurial Development, Government Contracting and Business Development, Veterans Business Development and National Women's Business Council. The Office of Capital Access (OCA) assists small businesses in obtaining the loans necessary for beginning or growing by continuing to be a gap lender, providing assistance to small businesses that would otherwise not qualify for un-guaranteed financing, obtaining equity or taking advantage of procurement opportunities.

The OCA contributed to the SBA accomplishing this goal through various programs that address different market gaps. The 7(a) loan program requires SBA's lending partners to certify that the applicant was unable to qualify for loans elsewhere on reasonable terms.

The 504 program, which has a statutorily mandated job creation component, fills another lending gap by providing long term, fixed rate financing for major assets such as real estate and heavy equipment. The Microloan program makes very small loans (\$35,000 and under) and provides technical assistance to entrepreneurs. The Surety Bond Guaranty is a program which serves as a gap surety bond credit provider expanding the bond credit and capacity

of small contractors who would not otherwise be able to compete for public and private work. Small Business Investment Center (SBIC) financings generally support smaller transactions that may not otherwise receive funding from private venture firms or financial institutions.

The following charts illustrate the major components of the full cost of each program in FY2004. These costs included administrative costs and any grants. Subsidy costs are not included.

**7(a) Loan Program
FY2004 Cost Components**

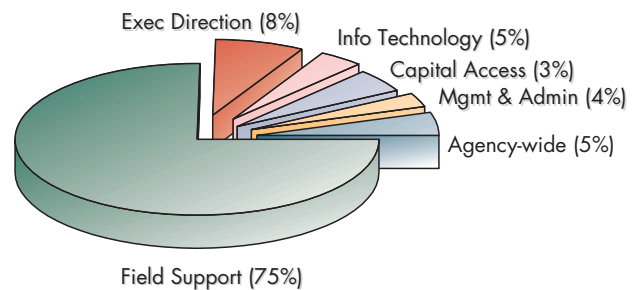


Figure 6

**504 Loan Program
FY2004 Cost Components**

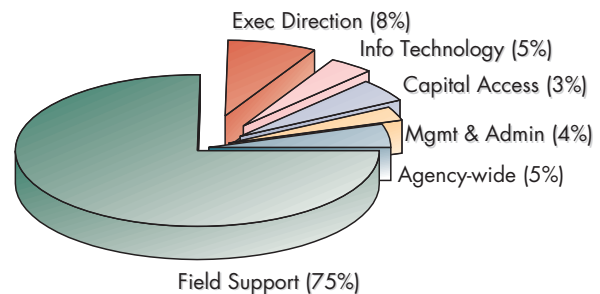


Figure 7

Microloan Program FY2004 Cost Components

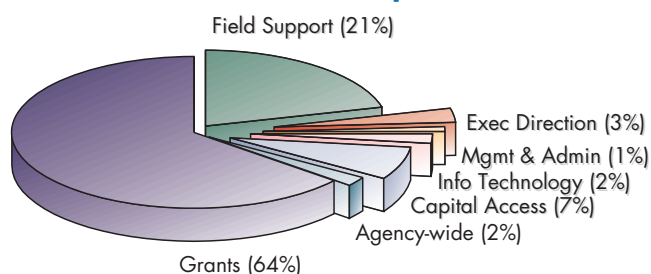


Figure 8

International Trade Program FY2004 Cost Components

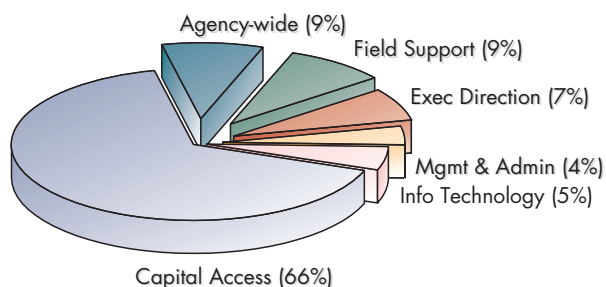


Figure 11

Surety Bond Guaranty Program FY2004 Cost Components

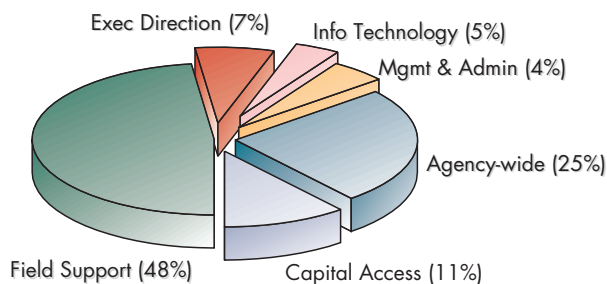


Figure 9

Small Business Investment Company Program FY2004 Cost Components

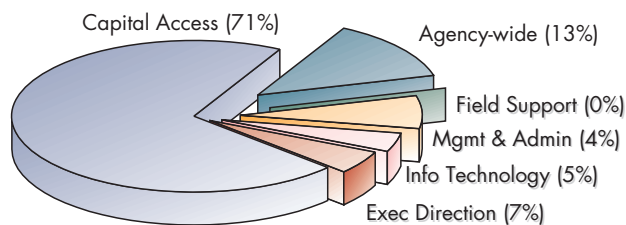


Figure 10

The OED contributed to the SBA accomplishing this goal by serving the small business community through outreach, public/private sector collaborative ventures and other creative mechanisms, providing counseling and training to America's small businesses that, otherwise, would not be able to afford such help. OED helped fill this gap by empowering individual entrepreneurs to take advantage of opportunities the market offered by providing free and low-cost education and training, topical information and management assistance critical for sound decision-making to start small businesses. The tools used to accomplish this were OED's SCORE, Small Business Development Center (SBDC) and Women's Business Center (WBS) programs and through delivery systems such as SBA's district offices and business information centers. The following charts illustrate the major components of the full cost of each program in FY2004. These costs include administrative costs and any grants.



SCORE Program FY2004 Cost Components

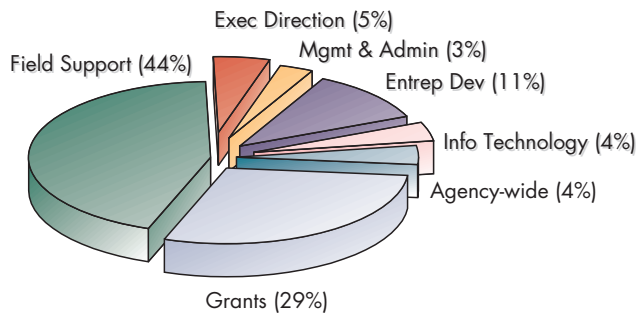


Figure 12

Small Business Development Centers FY2004 Cost Components

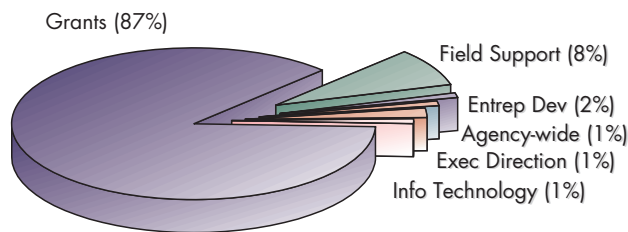


Figure 13

Women's Business Centers FY2004 Cost Components

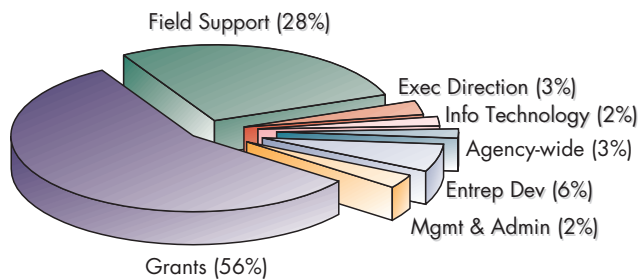


Figure 14

Business Information Centers Program FY2004 Cost Components

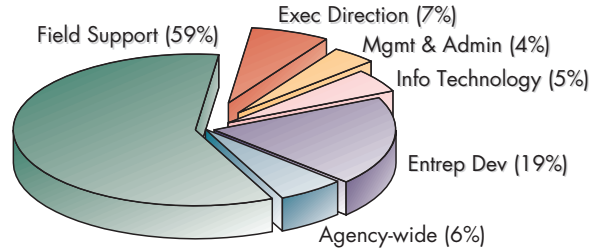


Figure 15

The Office of Government Contracting and Business Development (GC/BD) provided opportunities that, otherwise, would not have existed for small business located in distressed urban and rural communities to develop and grow. The HUBZone Program promotes job growth, capital formation and economic development. Through the 8(a) Business Development Program, GC/BD provides federal contract opportunities and specialized counseling and assistance for firms owned and controlled by socially and economically disadvantaged individuals. The following charts illustrate the major components of the full cost of each program in FY2004. These costs include administrative costs and any grants.

8(a) Program FY2004 Cost Components

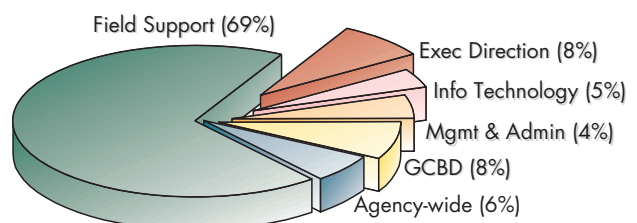


Figure 16

HubZone Program FY2004 Cost Components

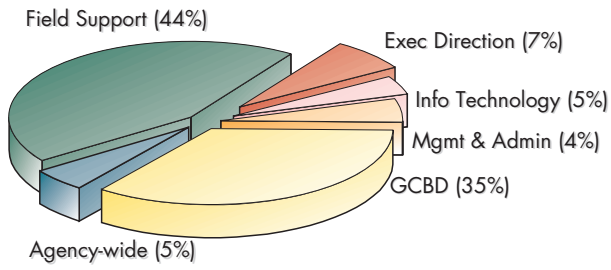


Figure 17

7(i) Program FY2004 Cost Components

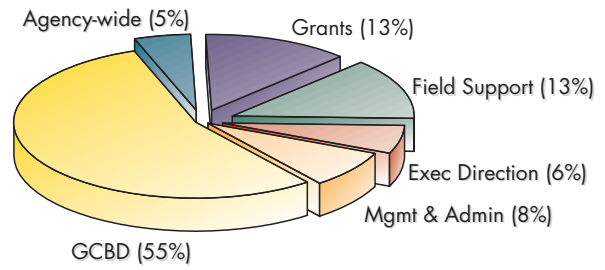


Figure 18



SBA Agency-Wide Annual Results

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.									
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).									
SBA Agency-Level Assistance									
SBA Outcome Measures	SBA Annual Outcome Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ¹	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal ²
2.1.1 Prospective and start-up small businesses assisted.									
	888,890	982,745	1,066,27 ³	1,095,169	1,102,086	766,006	796,369	80%	4,680,706
2.1.2 Percentage of prospective and start-ups from among those small businesses assisted.									
	72.5%	72.8%	73.0%	72.6%	74.9%	TBD ⁴	TBD	TBD	TBD
2.1.3 By FY2008, the percentage of successful business start-ups lasting at least one year that were assisted will exceed the national average for successful start-ups as measured by firm births, firm terminations, change in revenue.									
	N/A ⁵	N/A	TBD	N/A	TBD	TBD	TBD	TBD	TBD
2.1.4 Median customer satisfaction rate									
	84.0%	85.3%	84.3%	85.5%	91.5%	86.9%	90.0%	98.9%	90%
SBA Output Measures	SBA Annual Output Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Total Receiving Financial Assistance ⁶	14,408	15,456	18,962	20,911	23,847	21,005	29,020	81%	113,995
Total Receiving Technical Assistance ⁷	874,482	967,289	1,047,311	1,074,258	1,078,239	745,001	767,349	80%	4,566,710
SBA Outcomes Cost	SBA Annual Cost								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Total Financial Assistance Cost (\$000)	70,370	73,357	70,487	45,096	64,679	28,932	N/A	N/A	N/A
Total Technical Assistance Cost (\$000)	108,713	104,295	95,404	102,371	113,945	100,321	N/A	N/A	N/A

¹ Values that are indicated in italics are estimates.

² For goals and estimates starting after 2003, FY 03-07 Goal represents data from start year until 2007.

³ Values changed from what was reported in the FY03 PAR due to changes in the calculation of the "Total Receiving Financial Assistance" and "Total Receiving Technical Assistance."

⁴ To be determined (TBD).

⁵ Not Applicable (N/A).

⁶ A recalculation has occurred at the program level resulting in a change to this total.

⁷ Estimate based on information received from the Entrepreneurial Development resource partners and derived from historical numbers of clients served. In FY2005 and FY2006, the Office of Entrepreneurial Development is implementing changes in its data collection methods to be able to provide actual numbers for the breakdown of its in-business, start-up and nascent clients.

The SBA assisted 23,847 entrepreneurs seeking to start their own businesses to obtain financing that they may not have been able to obtain elsewhere. It also provided sources of business expertise to 1,078,239 small businesses, instructing them on topics such as how to write a successful business plan. Close to 75% of the SBA total assistance was given to prospective or start-up businesses, surpassing the 72.6% goal.

It should be noted that, in this case, the number of businesses assisted is treated as an outcome, as well as an output. This is to ensure that, as the Agency increases the percentage of its assistance that goes to prospective and start-up businesses and as it measures the success of those businesses, it also expands the absolute number that comprises this percentage. In that regard, SBA is working to develop the data systems to support the outcome measures dealing both with the success of SSBs assisted by the Agency and with customer satisfaction.

SBA Financial Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ⁸	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Capital Access										
7(a) Loan Program	Loans approved (number)	12,396	13,427	15,588	18,000	20,631	19,055	26,837	78%	104,854
504 Loan Program	Loans approved (number)	978	989	1,321	1,245	1,460	1,200	1,408	88%	6,100
Microloan Program	Loans approved (number)	1,034	1,040	1,118	925	1,022 ⁹	N/A ¹⁰	N/A	N/A	N/A
SBIC Program	Financings (number) ¹¹	1,719	1,178	1,364	1,824	1,160	1,600	1,350	58%	9,450
	Value of financings (\$ million) ¹²	2,000	848	848	756	790	840	840	79%	4,200
	Small businesses receiving financings (number)	N/A	N/A	935	741	734	750	775	105%	3,041
	Total Receiving Financial Assistance ¹³	14,408	15,456	18,962	20,911	23,847	21,005	29,020	81%	113,995
District Offices										
Capital Access										
7(a) Loan Program	Loans approved (number)	12,396	13,427	15,588	18,000	20,631	19,055	26,837	78%	104,854
504 Loan Program	Loans approved (number)	978	989	1,321	1,245	1,460	1,200	1,408	88%	6,100
Microloan Program	Loans approved (number)	1,034	1,040	1,118	925	1,022 ¹⁴	N/A	N/A	N/A	N/A
	Total Receiving Financial Assistance	14,408	15,456	18,027	20,170	23,113	20,255	28,245	81%	110,954

⁸ Values that are indicated in italics are estimates.

⁹ Value as of October 19, 2004. Values will be updated to reflect actual 2004 Microloan program loans in the FY2005 PAR.

¹¹ Indicator renamed. Original name was "Equity Financing."

¹² Indicator renamed. Original name was "Total Value of SBIC Financing."

¹³ Total has been recalculated and no longer contains "SBIC-Financing" and "SBIC-Licensee Examinations" as proxies for the number of small businesses receiving financing assistance from through the SBIC program.

¹⁴ Value as of October 19, 2004. Values will be updated to reflect actual 2004 Microloan program loans in the FY2005 PAR.



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).

SBA Program Level-Financial Assistance

SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.1.1 Prospective and start-up small businesses assisted.										
Capital Access										
7(a) Loan Program	SSB assisted	12,396	13,427	15,588	18,000	20,631	19,055	26,837	78%	104,854
504 Loan Program	SSB assisted	978	989	1,321	1,245	1,460	1,200	1,408	88%	6,100
SBIC	SSB assisted	N/A	N/A	935	741	734	750	775	105%	3,041
Microloan Program	SSB assisted	1,034	1,040	1,118	925	1,022	N/A	N/A	N/A	N/A
	Total SSB Assisted	14,408	15,456	18,962	20,911	23,847	21,005	29,020	81%	113,995
District Offices										
7(a) Loan Program	SSB assisted	12,396	13,427	15,588	18,000	20,631	19,055	26,837	78.3%	104,854
504 Loan Program	SSB assisted	978	989	1,321	1,245	1,460	1,200	1,408	88.3%	6,100
Microloan Program	SSB assisted	1,034	1,040	1,118	925	1,022	N/A	N/A	N/A	N/A
	Total SSB Assisted	14,408	15,456	18,027	20,170	23,113	20,255	28,245	80.8%	110,954
2.1.2 Percentage of prospective and start-ups from among those small businesses assisted.										
Capital Access										
7(a) Loan Program	% SSB assisted	26.0%	26.0%	23.2%	20.0%	25.4%	25.3%	27.3%	N/A	28.3%
504 Loan Program	% SSB assisted	18.1%	18.1%	19.2%	16.6%	17.5%	15.0%	16.0%	N/A	19.7%
SBIC Program	% SSB assisted	N/A	N/A	100%	UNAVAIL.	31.4%	UNAVAIL.	UNAVAIL.	N/A	UNAVAIL.
Microloan Program	% SSB assisted	40.3%	40.3%	45.8%	37.0%	42.6%	N/A	N/A	N/A	N/A
	Total SSB Assisted	29.5%	25.9%	24.5%	20.8%	25.3%	25.0%	26.9%	N/A	25.5%
District Offices										
7(a) Loan Program	% SSB assisted	26.0%	26.0%	23.2%	20.0%	25.4%	25.3%	27.3%	N/A	28.3%
504 Loan Program	% SSB assisted	18.1%	18.1%	19.2%	16.6%	17.5%	15.0%	16.0%	N/A	19.7%
Microloan Program	% SSB assisted	40.3%	40.3%	45.8%	37.0%	42.6%	N/A	N/A	N/A	N/A
	Total % SSB Assisted	29.5%	25.9%	24.5%	20.8%	25.3%	25.0%	26.9%	N/A	25.5%

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Financial Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.1.4 Median customer satisfaction rate										
Capital Access										
7(a) Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
504 Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
SBIC Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
Microloan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
District Offices										
7(a) Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
504 Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
Microloan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD	90.0%



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Capital Access										
7(a) Loan	Total Program Cost (\$000)	58,361	61,100	54,333	34,208	49,085	19,203	N/A	N/A	N/A
	Loan Approving (\$000)	42,937	41,914	38,307	34,208	41,401	19,203	N/A	N/A	N/A
	Approving Admin Cost (\$000)	12,131	8,365	13,047	12,962	15,814	18,989	N/A	N/A	N/A
	Loan Subsidy (\$000)	30,806	33,549	25,260	21,246	25,586	215	N/A	N/A	N/A
	Cost per Loan Approved (\$)	3,464	3,122	2,458	1,900	2,007	1,008	N/A	N/A	N/A
	Loan Servicing (\$000)	8,641	6,244	4,985	N/A	3,289	N/A	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	6,937	4,466	3,683	N/A	1,907	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	32	38	10	N/A	31	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	1,672	1,740	1,292	N/A	1,351	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	6,783	12,942	11,041	N/A	4,395	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	6,783	12,942	11,041	N/A	4,395	N/A	N/A	N/A	N/A
	Cost per loan liquidated (\$) ¹⁵	N/A	N/A	5,352	N/A	2,046	N/A	N/A	N/A	N/A

¹⁵ The cost per loan liquidated was calculated by dividing the Loan Liquidation cost by the number of 7(a) loans purchased in a fiscal year. Loan purchasing is the final step in loan liquidation

U.S. SMALL BUSINESS ADMINISTRATION

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).

SBA Program Level-Financial Assistance

[illegible]



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).

SBA Program Level-Financial Assistance

SBA Programs	Cost Measures	Program Annual Cost Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Estimate by FY06	FY 03-07 Goal
Microloans	Total Program Cost (\$000)	1,274	1,913	4,500	3,055	5,130	N/A	N/A	N/A	N/A
	Loan Approving (\$000)	1,274	1,395	2,802	1,655	4,846	N/A	N/A	N/A	N/A
	Approving Admin Cost (\$000)	0	256	1,027	851	3,578	N/A	N/A	N/A	N/A
	Loan Subsidy (\$000)	1,274	1,139	1,775	804	1,268	N/A	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	1,232	1,341	2,506	1,789	4,742	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	0	355	1,675	1,380	211	N/A	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	0	355	1,675	1,380	211	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	0	163	23	20	72	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	0	163	23	20	72	N/A	N/A	N/A	N/A
SBIC	Total Program Cost (\$000)	5,549	4,497	3,666	2,666	3,507	5,540	N/A	N/A	N/A
	New Licenses (\$000)	1,720	1,349	1,100	800	1,052	1,662	N/A	N/A	N/A
	Oversight/ Exams (\$000)	3,829	3,148	2,566	1,866	2,455	3,878	N/A	N/A	N/A
	Cost per Financing (\$)	3,228	3,818	2,688	1,462	3,023	3,463	N/A	N/A	N/A
	Total OCA Financial Assistance Cost (\$000)	70,370	73,357	70,487	45,096	64,679	28,932	N/A	N/A	N/A

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).

SBA Program Level-Financial Assistance

[illegible]



<div>U.S. SMALL BUSINESS ADMINISTRATION</div> <div>Results and Budgetary Resources</div>										
<div>Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.</div> <div>Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).</div>										
SBA Programs	Cost Measures	Program Annual Cost Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
504 Loan Program	Total Program Cost (\$000)	3,552	4,600	6,075	3,591	5,191	3,762	N/A	N/A	N/A
	Loan Approving (\$000)	1,883	2,269	4,016	3,591	4,319	3,762	N/A	N/A	N/A
	Approving Admin Cost (\$000)	1,883	2,269	4,016	3,591	4,319	3,762	N/A	N/A	N/A
	Cost Per Loan Approved	1,925	2,294	3,040	2,884	2,958	3,135	N/A	N/A	N/A
	Loan Servicing (\$000)	691	709	592	0	421	0	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	556	565	489	N/A	350	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	2	3	1	N/A	2	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	133	141	102	N/A	69	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	978	1,622	1,467	N/A	451	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	978	1,622	1,467	N/A	451	N/A	N/A	N/A	N/A
	Cost per Loan Liquidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Microloan	Total Program Cost (\$000)	N/A	162	517	18	1,324	N/A	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	112	362	15	1,317	N/A	N/A	N/A	N/A
	Approving Admin Cost (\$000)	N/A	112	362	15	1,317	N/A	N/A	N/A	N/A
	Cost Per Loan Approved	N/A	108	324	16	1,288	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	27	123	3	3	N/A	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	N/A	27	123	3	3	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	23	32	0	4	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	N/A	23	32	0	4	N/A	N/A	N/A	N/A
	Total District Financial Assistance Cost (\$000)	21,891	26,815	28,726	13,022	22,761	N/A	N/A	N/A	N/A

During FY2004, SBA increased the number of prospective and start-up small business (SSB) ownerships able to receive financing because of SBA assistance. **As reflected in the tables above, SBA was able to meet its goal under Outcome Measure 2.1.1 of assisting at least 20,911 prospective and start-up small businesses (SSBs) during the year.** It also exceeded its goal under Outcome Measure 2.1.2 of ensuring that at least 20.8% of the small businesses that it assisted in obtaining financing were start-up businesses, by achieving a level of 25.3%. SBA is in the process of developing the data systems to support Outcome Measures 2.1.3 and 2.1.4, dealing both with the success of SSBs assisted by the Agency and with customer satisfaction with SBA services. The Agency is not yet able to report on the effectiveness of its efforts in those areas.

Two major contributors to this achievement were the SBA's 7(a) and 504 lending programs. **The number of 7(a) loans approved to start-up small businesses in FY2004 was approximately 20,631, compared to a goal of 18,000.** This amounts to 25.4% of the total projected 7(a) loans approved for FY2004, well in excess of its 20% goal. For the 504 program, the number of loans approved to start-up small businesses was 1,460, thereby exceeding the goal of 1,245.

7(a) Loans Approved To Start-up Small Businesses Cost & Results

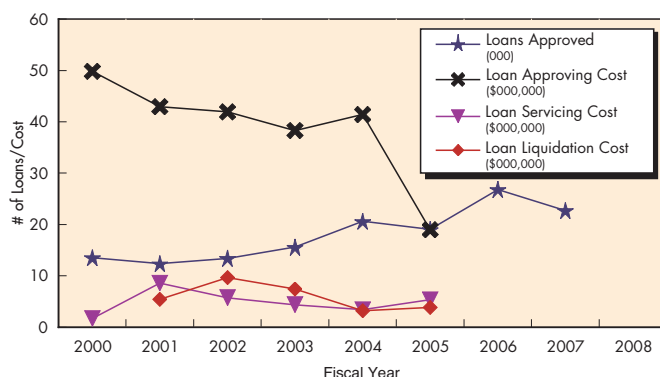


Figure 19

504 Loans Approved To Start-up Small Businesses Cost & Results

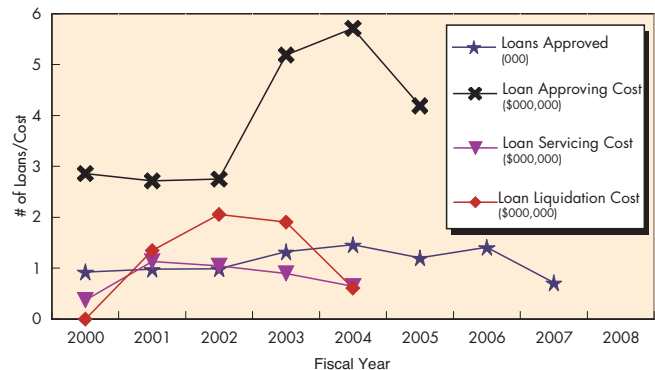


Figure 20

The significance of this increase in the number of loans made to start-ups by SBA is that this lending closes a gap that, otherwise, would not have been met by the regular commercial lending market. Stated another way, the tables above show that during FY2004, SBA was able to provide crucial assistance in the creation of nearly 24,000 start-up small businesses that otherwise would have had great difficulty in finding the funding necessary to their being launched. In fact, these lending programs have a statutory requirement that the borrower is not able to obtain credit elsewhere.

The Microloan program, through its network of micro-lenders, continued to open access to private lending sources to new business owners who had little or no credit background or who simply do not want to borrow enough capital to interest banks. In FY2004, 1,022 small businesses received start-up financing under the Microloan program, exceeding the Agency's goal of assisting 925 prospective and start-up small businesses.



MicroLoans Approved To Start-up Small Businesses Cost & Results

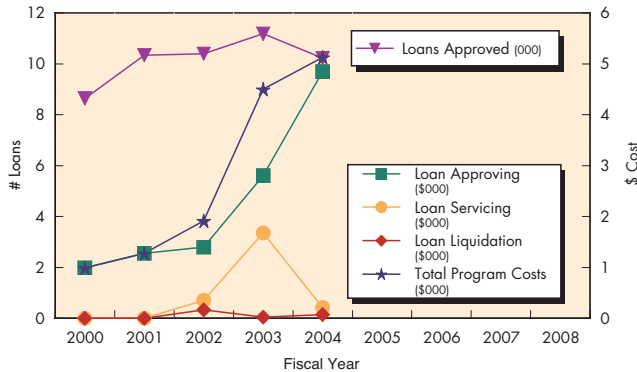


Figure 21

Another tool that the SBA has for assisting small business start-ups to become successful is increasing the availability of venture capital. These investments are happening at the critical stage of the company's growth cycle to companies that are often most in need of the funding. This is also the stage of funding in which the non-Small Business Investment Company (SBIC) venture fund industry is least active. During FY2004, SBICs invested in 734 SSBs, substantially meeting its goal of 741.¹⁶

SBIC's Financings Approved To Start-up Small Businesses Cost & Results

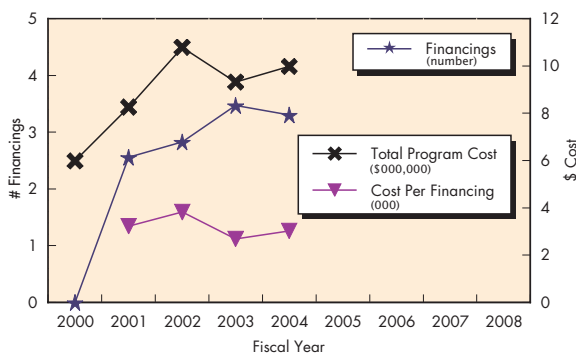


Figure 22

¹⁶ Previous to FY2004 the goal was based on the number of financings, not the number of SSBs financed. This overstated the number of small businesses receiving assistance from SBICs. Current and historical numbers have been adjusted to reflect this change.

As the outcome table for Outcome Measure 2.1.2 indicates, despite the decreasing trend for SBIC assistance to SSBs, the past year showed a reversal of a several-year downward trend in the overall percentage of total small business assistance by SBA that was directed to start-ups. The figure increased to 25.5% in 2004, exceeding the goal of 21.2%. The SBA plans to continue this trend during FY2005 and FY2006 by increasing marketing and outreach to prospective and start-up businesses.

While it is not yet able to track customer satisfaction with its services, during the year, SBA took effective steps to improve upon its electronic loan origination system (E-Tran) in order to speed the turn-around time of its lending partners. This is an important factor in promoting customer satisfaction, in addition to encouraging greater loan volume.

SBA accomplished this by adopting criteria outlined in the President's Management Agenda for E-Government regarding "best-practice" business to government electronic transactions. Specifically, the President's Management Agenda prioritizes the minimization of burden on business by re-using data previously collected or by using XML or other open standards to receive transmissions.

In the spirit of this guidance, SBA published E-Tran XML data specifications documentation and facilitated working sessions with private sector loan documentation software vendors to enable the seamless transmission of loan origination data from the desktops of SBA lending partners to the Agency's financial systems. The first successful public/private E-Tran XML implementation was finalized in May of 2004, and now, participating lending partners are reporting a 24-hour reduction in turnaround time to deliver small business capital to creditworthy borrowers.

SBA, through the Office of Lender Oversight (OLO), ensured that SBA lenders were making and managing loans guaranteed by SBA in a manner that prevents unnecessary losses. Effective oversight of SBA's lenders ensures that capital remains available for small businesses. In FY2004, OLO integrated its Loan and Lender Monitoring System (L/L/LMS) into its oversight framework. This

system provides measures of credit quality for the SBA loan portfolio by utilizing credit scores. The system also contains performance data and other risk characteristics. And, for the first time, SBA has historical performance trends for its loans and lenders. The data and analysis has been leveraged to develop risk ratings for SBA's lenders allowing the SBA to monitor performance and conduct off-site reviews of its more than 5,000 7(a) and 504 lenders on a quarterly basis. The Agency also conducted over 40 on-site examinations and reviews of its largest lenders. The monitoring system assists in prioritizing and planning on-site reviews.

Goals Not Met

Approximately 26% of all SBIC dollars invested in FY2004 were invested in small business start-ups, significantly less than its target of 48%. These results are a continuation of a downtrend in start-up financings that commenced in FY2001. The SBA believes this to be a reflection of the "bubble" collapse in 2000, which led to a move to less risky investing by the venture industry overall, even with SBA's participation. This is a shift to later-stage companies with more established revenue streams. Additionally, the

Agency believes the levels achieved in the late 1990s and 2000 were artificially high as funds rushed to invest in the Internet and Internet-related companies. Ultimately, however, the investments are made by the private fund managers and the SBA has little control over these investment decisions.

Goals Exceeded

1) The number of 7(a) loans approved to start-up small businesses in FY2004 was approximately 20,631, compared to a goal of 18,000. This amounts to 25.4% of the total projected 7(a) loans approved for FY2004, well in excess of its 20% goal. A factor in the substantial exceeding of the number of 7(a) loans approved to start-ups, and the percentage of the total number of 7(a) loans which they represent, was the streamlining of SBAExpress, a delivery system for 7(a) loans.

2) For the 504 program, the number of loans approved to start-up small businesses was 1,460, thereby exceeding the goal of 1,245. The reason for exceeding this goal was increased competition between Certified Development Companies (CDC).



SBA Technical Assistance Performance and Costs to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ¹⁷	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Capital Access										
Microloan Program	Hours of technical assistance (number)	N/A ¹⁸	N/A	N/A	UNAVAIL. ¹⁹	N/A	N/A	N/A	N/A	N/A
	Small businesses receiving technical assistance (number)	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A
Prime Technical Assistance	Not Measured (N/M)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/A	N/M
	Total Receiving CA Technical Assistance	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A
Entrepreneurial Development ^{20 21}										
SCORE	Attendees trained (number)	80,554	99,541	114,811	118,255	110,930	77,028	79,339	64%	599,254
	Clients counseled (number)	241,435	265,902	278,866	287,232	273,067	179,732	185,123	62%	1,480,827
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	47,192	68,634	83,157	85,651	90,791	71,071	97,042	104%	329,164
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD

¹⁷ Values that are indicated in italics are estimates.

¹⁸ Not Applicable (N/A).

¹⁹ Unavailable (UNAVAIL).

²⁰ "Attendees trained" reflects an indicator name change. It was reported in 2003 as "Clients trained".

²¹ Training hours, counseling hours, and on-line clients counseled are new performance indicators.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
SBDC ²²	Attendees trained (number)	216,371	234,100	249,035	256,506	274,373	264,201	272,127	81%	1,302,664
	Clients counseled (number)	155,517	163,197	170,361	175,472	171,034	148,204	152,650	81%	790,886
	Training hours (number)	957,572	965,826	1,074,170	1,106,395	1,163,420	1,198,323	1,234,272	79%	5,884,461
	Online users counseled online (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	912,498	902,289	955,408	984,070	906,993	1,013,593	1,044,000	77%	5,072,392
WBC ²³	Attendees trained (number)	30,305	44,051	51,380	52,921	64,024	49,458	50,941	86%	251,120
	Clients counseled (number)	18,309	24,547	33,910	34,927	34,146	26,378	27,169	86%	141,959
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD

22 Small Business Development Center (SBDC).

23 Women Business Center (WBC).



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
BIC ²⁴	Clients counseled (number)	131,992	135,951	148,948	148,945	149,643	N/A ²⁵	N/A	N/A	N/A
SBTN ²⁶	Online users taking online courses (number)	135,610	147,680	488,922	506,138	660,965	528,777	544,632	96%	2,310,030
	Registered clients taking online courses ²⁷	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
NAO ²⁸	Clients trained (number)	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Total Receiving ED Technical Assistance ²⁹	874,482	967,289	1,047,311	1,074,258	1,077,217	745,001	767,349	80%	4,566,710
District Offices										
Capital Access										
Microloan Program	Small businesses receiving technical assistance (number)	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A
	Total Receiving CA Technical Assistance	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A

²⁴ Business Information Center (BIC).

²⁵ No funding was requested for this program in the SBA FY2005 Congressional Budget Submission.

²⁶ Small Business Training Network (SBTN).

²⁷ New Performance Indicator.

²⁸ Native American Outreach (NAO).

²⁹ This total does not currently include the number of SBTN's clients. Additionally, the number of MicroLoans approved it is no longer being used as a proxy for the number of small businesses receiving assistance by this program.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
Entrepreneurial Development										
SCORE	Attendees trained (number)	80,554	99,541	114,811	118,255	110,930	77,028	79,339	64%	599,254
	Clients counseled (number)	241,435	265,902	278,866	287,232	273,067	179,732	185,123	62%	1,480,827
SBDC	Attendees trained (number)	216,371	234,100	249,035	256,506	274,373	264,201	272,127	81%	1,302,664
	Clients counseled (number)	155,517	163,197	170,361	175,472	171,034	148,204	152,650	81%	790,886
WBC	Attendees trained (number)	30,305	44,051	51,380	52,921	64,024	49,458	50,941	86%	251,120
	Clients counseled (number)	18,309	24,547	33,910	34,927	34,146	26,378	27,169	86%	141,959
BIC	Clients counseled (number)	131,992	135,951	148,948	148,945	149,643	N/A	N/A	N/A	N/A
	Total Receiving Technical Assistance ³⁰	874,482	967,289	1,047,311	1,074,258	1,077,217	745,001	767,349	80%	4,566,710

³⁰ This total does not currently include the number of SBTN's clients. Additionally, the number of MicroLoans approved it is no longer being used as a proxy for the number of small businesses receiving assistance by this program.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Intermediate Outcome Measures	Program Annual Intermediate Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Entrepreneurial Development ³¹										
SCORE	Jobs created/retained (number)	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
	Revenue (\$ million)	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
	Startups Assisted	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
SBDC	Jobs created/retained (number)	74,132	104,658	99,825	102,819	UNAVAIL.	105,904	109,081	73%	430,158
	Revenue (\$ million)	5,136	6,146	4,364	4,495	UNAVAIL.	4,630	TBD	73%	18,805
	Startups Assisted	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
WBC ³²	Jobs created/retained (number)	894	3,102	5,230	N/A	TBD	TBD	TBD	TBD	TBD
	Revenue (\$ million)	25,201	86,884	235,003	N/A	TBD	TBD	TBD	TBD	TBD
	Startups Assisted	782	2,086	3,596	N/A	TBD	TBD	TBD	TBD	TBD
	Total	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD

³¹ All of Entrepreneurial Development's Intermediate Outcome measures in this Long Term Objective are new performance indicators.

³² The WBC reported data is submitted voluntarily by WBC clients. As such, the information collected may not be complete or fully compatible across all Centers.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.1.1 Prospective and start-up small businesses assisted.										
Capital Access										
Microloan Program	SSB assisted	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A
Prime Technical Assistance	SSB assisted	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/A	N/M
	Total SSB Assisted	N/A	N/A	N/A	N/A	1,022	N/A	N/A	N/A	N/A
Entrepreneurial Development										
SCORE	SSB assisted	321,989	365,443	393,677	405,487	383,997	256,760	264,462	62%	2,080,081
SBDC	SSB assisted	371,888	397,297	419,396	431,978	445,407	412,405	424,777	81%	2,093,550
WBC	SSB assisted	48,614	68,598	85,290	87,848	98,170	75,836	78,110	86%	393,079
BIC	SSB assisted	131,992	135,951	148,948	148,945	149,643	N/A	N/A	N/A	N/A
NAO	SSB assisted	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Total SSB Assisted ³²	874,482	967,289	1,047,311	1,074,258	1,077,217	745,001	767,349	80%	4,566,710
District Offices										
SCORE	SSB assisted	321,989	365,443	393,677	405,487	383,997	256,760	264,462	62%	2,080,081
SBDC	SSB assisted	371,888	397,297	419,396	431,978	445,407	412,405	424,777	81%	2,093,550
WBC	SSB assisted	48,614	68,598	85,290	87,848	98,170	75,836	78,110	86%	393,079
BIC	SSB assisted	131,992	135,951	148,948	148,945	149,643	N/A	N/A	81%	N/A
NAO	SSB assisted	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	62%	UNAVAIL.
	Total SSB Assisted ³³	874,482	967,289	1,047,311	1,074,258	1,077,217	745,001	767,349	80%	4,566,710

³² This total does not currently include the number of SBTN's clients. Additionally, the number of Microloans approved it is no longer being used as a proxy for the number of small businesses receiving assistance by this program.

³³ This total does not currently include the number of SBTN's clients. Additionally, the number of Microloans approved it is no longer being used as a proxy for the number of small businesses receiving assistance by this program.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.1.2 Percentage of prospective and start-ups from among those small businesses assisted.										
Entrepreneurial Development										
SCORE	% SSB assisted	83%	83%	83%	83%	83%	TBD	TBD	TBD	TBD
SBDC	% SSB assisted	61%	61%	61%	61%	61%	TBD	TBD	TBD	TBD
WBC	% SSB assisted	80%	80%	80%	80%	80%	TBD	TBD	TBD	TBD
BIC	% SSB assisted	90%	90%	90%	90%	90%	N/A	N/A	N/A	N/A
	Total % SSB Assisted	73%	73%	73%	73%	73%	TBD	TBD	TBD	TBD
District Offices										
SCORE	% SSB assisted	83%	83%	83%	83%	75%	TBD	TBD	TBD	TBD
SBDC	% SSB assisted	61%	61%	61%	61%	61%	TBD	TBD	TBD	TBD
WBC	% SSB assisted	80%	80%	80%	80%	80%	TBD	TBD	N/A	TBD
BIC	% SSB assisted	90%	90%	90%	90%	90%	N/A	N/A	N/A	N/A
	Total % SSB Assisted	73%	73%	73%	73%	75%	TBD	TBD	TBD	TBD

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Estimate	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.1.4 Median customer satisfaction rate										
Program Offices										
Microloan Program Assistance	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90%
Prime Technical	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90%
SCORE	% Customer Satisfaction	N/A	83.0%	83.0%	87.0%	89.0%	90.0%	90.0%	98.9%	90%
SBDC	% Customer Satisfaction	N/A	87.5%	N/A	88.5%	TBD	89.0%	TBD	TBD	90%
WBC	% Customer Satisfaction	75.0%	UNAVAIL.	80.0%	81.0%	94.0%	81.6%	TBD	TBD	90%
BIC	% Customer Satisfaction	93.0%	N/A	90.0%	N/A	TBD	TBD	TBD	TBD	90%
NAO	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90%
	Total	84.0%	85.3%	84.3%	85.5%	91.5%	86.9%	90.0%	98.9%	90.0%
District Offices										
Microloan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
SCORE	% Customer Satisfaction	N/A	83.0%	83.0%	87.0%	89.0%	90.0%	90.0%	98.9%	90%
SBDC	% Customer Satisfaction	N/A	87.5%	N/A	88.5%	TBD	89.0%	TBD	TBD	90%
WBC	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90%
BIC	% Customer Satisfaction	75.0%	N/A	80.0%	81.0%	94.0%	81.6%	TBD	TBD	90%
NAO	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90%
	Total	84.0%	85.3%	84.3%	85.5%	91.5%	86.9%	90.0%	98.9%	90.0%



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03– 07 Estimate
Capital Access										
Microloan Technical Assistance	Tech Asst (\$000)	1,392	294	104	87	739	N/A	N/A	N/A	N/A
	Tech Asst Training (\$000)	101	52	119	49	58	N/A	N/A	N/A	N/A
	Tech Asst Grants (\$000)	8,189	7,119	6,702	5,443	8,436	N/A	N/A	N/A	N/A
	Cost per Hour	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
	Total Program Cost (\$000)	9,682	7,465	6,925	5,579	9,233	N/A	N/A	N/A	N/A
	Total OCA Technical Assistance Cost (\$000)	9,628	7,465	6,925	5,579	9,233	N/A	N/A	N/A	N/A
Entrepreneurial Development										
SBTN	Total Cost (\$000)	N/A	N/A	N/A	\$971	\$959	\$1,034	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	\$2	\$1	\$2	N/A	N/A	N/A
SCORE	Total Cost (\$000)	9,842	11,015	9,366	11,396	14,283	16,240	N/A	N/A	N/A
	Cost per client served	31	30	24	28	37	63	N/A	N/A	N/A
SBDC	Total Cost (\$000)	61,200	61,107	56,584	59,709	63,160	64,124	N/A	N/A	N/A
	Cost per client served	165	154	135	138	142	155	N/A	N/A	N/A
WBC	Total Cost (\$000)	17,070	13,960	13,322	13,219	17,353	18,923	N/A	N/A	N/A
	Cost per client served	351	204	156	150	177	250	N/A	N/A	N/A
BIC	Total Cost (\$000)	10,919	10,748	9,207	11,497	8,957	N/A	N/A	N/A	N/A
	Cost per client served	83	79	62	77	60	N/A	N/A	N/A	N/A
	Total ED Technical Assistance Cost (\$000)	99,031	96,830	88,479	96,792	104,712	100,321	N/A	N/A	N/A
	Total Technical As- sistance Cost (\$000)	108,713	104,295	95,404	102,371	113,945	100,321	N/A	N/A	N/A

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.1: Increase the positive impact of SBA assistance upon the number and success of small business start-ups (SSB).										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
District Offices										
Capital Access										
MicroLoan Technical Assistance	Tech Asst (\$000)	203	138	141	122	23	N/A	N/A	N/A	N/A
	Cost per Hour	N/A	N/A	N/A	0	N/A	N/A	N/A	N/A	N/A
	Total Program Cost (\$000)	203	138	141	122	23	N/A	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	203	138	141	122	23	N/A	N/A	N/A	N/A
Entrepreneurial Development										
SCORE	Total Cost (\$000)	3,479	3,727	3,963	4,107	6,283	8,770	N/A	N/A	N/A
	Cost per client served	11	10	10	10	16	34	N/A	N/A	N/A
SBDC	Total Cost (\$000)	3,472	3,169	1,900	3,457	5,264	6,417	N/A	N/A	N/A
	Cost per client served	9	8	5	8	12	16	N/A	N/A	N/A
WBC	Total Cost (\$000)	3,934	1,290	1,730	1,784	4,792	6,144	N/A	N/A	N/A
	Cost per client served	81	19	20	20	49	81	N/A	N/A	N/A
BIC	Total Cost (\$000)	6,576	7,425	5,832	5,470	5,845	0	N/A	N/A	N/A
	Cost per client served	50	55	39	37	39	N/A	N/A	N/A	N/A
	Total ED Technical Cost (\$000)	17,461	15,611	13,425	14,818	22,183	21,330	N/A	N/A	N/A
	Total District Techni- cal Assistance Cost (\$000)	17,664	15,749	13,566	14,940	22,206	21,330	N/A	N/A	N/A

During FY2004, the SBA worked to improve the nation's overall economy by helping start-ups to become successful by providing training and counseling, mainly through the Office of Entrepreneurial Development (ED). As

reflected in the tables above, SBA assisted approximately 1,102,086³⁴ prospective, nascent and start-up businesses (SSBs) during the year, which substantially meeting the goal of 1,095,169 under Outcome Measure 2.1.1.

³⁴ This estimated value is based on historical performance of SBDCs and SCORE, the actual value will be reported in FY2005.



Business Information Centers Program Start-Up & Existing Small Businesses

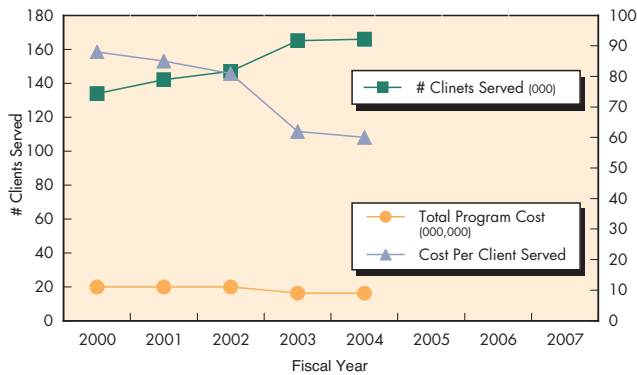


Figure 23

As the Program Outputs table indicates, the result for the number of SSBs assisted was achieved by working through various programs and program partners to provide training and counseling.³⁵

During 2004, the SBA implemented the first phase of the Impact Survey which, in addition to providing an across-the-board look at all ED program areas for such things as customer satisfaction and the value of management assistance received, also provided initial baseline impact data for a three-year longitudinal study of ED clients. During FY2004, the SBA also revised client and reporting definitions and made them uniform for all of its programs. Though initially, for FY2005, these changes may cause marked difference in program data when compared to previous years, the net effect will improve SBA's ability to compare and contrast efficiencies and effectiveness among ED programs. The SBA also revised standard data collection forms to collect real time information, such as the business status of clients assisted—nascent, early start-up or existing—which is critical to monitoring program performance.

The SBA relied on three main tools to achieve these results: the Small Businesses Development Centers (SBDC), the SCORE program and the Women's Business Centers (WBC). Each of these focuses on a different segment of the small business community.

Although the SBDC program's main focus is existing small businesses, this program makes an important contribution to the success of nascent and start-up businesses. As the above Program Output tables indicate, **the SBDC program exceeded its goal of serving at least 431,978 clients trained or counseled by reaching an estimated 445,407 during the year.** During 2004, the FY2005 program announcement was revised in FY2004 to include the development of online counseling pilot programs in all ten SBA regions, the strengthening of co-branding between SBA and SBDCs, and the revision of the methodology for establishing output goals. All of this should have the effect of increasing the number of businesses served and of lowering the unit cost, while maintaining the impact of the technical assistance.

During FY2004, the SBDC program also conducted a client survey generating data for inclusion in the biennial Chrisman economic impact study to be issued in FY2005.

The SCORE program substantially met its FY2004 goal for SSB clients trained or counseled, reaching an estimated 383,997 clients. In an effort to achieve its goals, SCORE increased its reliance on clients' use of online counseling. SBA anticipates that once the ED-wide impact Survey has been completed, any difference in the effectiveness of the various methods of service delivery will become apparent.

SCORE Program Start-Up & Existing Small Businesses

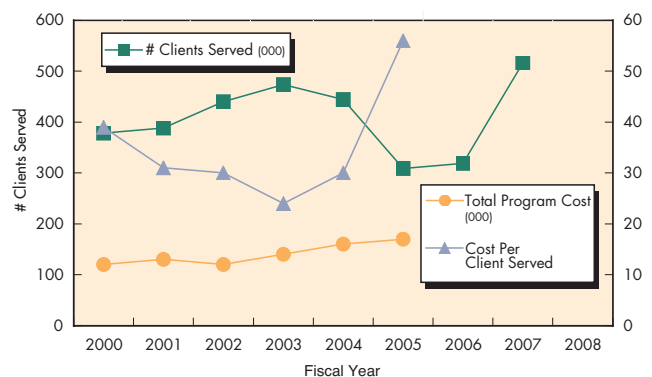


Figure 24

³⁵ This number does not include the number of clients assisted by the Small Business Training Network (SBTN). It will be included once the learning management system becomes operative.

As shown in the tables above, the WBC program exceeded its target by serving 98,170 clients, as compared to its goal of 87,848 for the year. This was accomplished with basic level funding for the two years. The WBC program knows from its centers that its clients, particularly those who are socially and economically disadvantaged, rely on creative scheduling and services. In addition, all of the WBCs provide hands-on, beginning level classes for nascent entrepreneurs. In FY2004, WBC contacted all of its centers to ensure that they provide services outside the typical workday, such as evening and weekend hours. Additionally, in order to improve the effectiveness of the assistance it provides, WBC designed and implemented a comprehensive evaluation program to enable funding levels for FY2005 grant awards to be performance-based, beginning with sustainability awards. As a result of these strategies having been implemented, subsequent performance data (when it is developed) should show increases in both client satisfaction and ultimately, the business success of those clients.

A recent addition to ED's technical assistance toolbox is the Small Business Training Network (SBTN). The addition of this delivery method is in line with the President's Management Agenda's initiative to expand e-government. SBTN served 660,965 online prospective, nascent and start-up users, representing 131 percent of its goal. The SBTN program is part of the ED-wide Impact Survey,

which will allow the comparison of the effectiveness of this program with the face-to-face delivery methods.

In addition to the programs that are managed by the Office of Entrepreneurial Development, the SBA has technical support programs that deliver specialized technical assistance. The Microloan program provides grants to intermediary lenders or to Non-lending Technical Assistance Providers. The grants are to be used to provide technical assistance and training to micro borrowers and potential micro borrowers.

Goals Exceeded

The SBA exceeded its goals of at least 506,138 SBTN users taking online courses by 31% because of the following:

- Greater cross-marketing of SBTN offerings within targeted areas of SBA's Website;
- Google & AOL highlighted SBTN (SBTN is number #1 Google search response for small business training);
- Course offerings were improved and their number increased; and
- There was greater client acceptance of e-training.

The FY2005 accomplishments will probably not track the same level of growth; however, SBA expects at least a 3-5% growth rate.



LONG-TERM OBJECTIVE 2.2

SBA Agency-Wide Annual Results

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.									
Long-Term Objective 2.2 Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.									
SBA Agency-Level Assistance									
SBA Outcome Measures	SBA Annual Outcome Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ³⁶	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal ³⁷
2.2.1 Increase the number of existing small businesses receiving SBA assistance.									
	389,538	430,842	474,557	512,227	519,470	431,718	460,550	74.8%	2,514,735
2.2.2 By FY2008, SBA-assisted small businesses in existence for 1-3 years, will exceed the national average for survivability of firms within the same time frame.									
	N/A ³⁸	N/A	TBD ³⁹	NA	TBD	TBD	TBD	TBD	TBD
2.2.3 By 2008, SBA-assisted small businesses, will exceed the national average rate for job creation by small firms.									
	N/A	N/A	TBD	NA	TBD	TBD	TBD	TBD	TBD
2.2.4 By FY2008, SBA-assisted small businesses, will exceed the national average rate for revenue growth by small firms.									
	N/A	N/A	TBD	NA	TBD	TBD	TBD	TBD	TBD
2.2.5 Median customer satisfaction rate									
	84.0%	85.3%	85.0%	85.5%	91.5%	86.9%	90.0%	98.9%	90.0%

³⁶ Values that are indicated in italics are estimates.

³⁷ For goals and estimates starting after 2003, FY-2003-2007 Goal represents data from start year until 2007.

³⁸ Not Applicable (N/A)

³⁹ To Be Determined (TBD)

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.									
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.									
SBA Agency-Level Assistance									
SBA Output Measures	SBA Annual Output Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Total Receiving Financial Assistance ⁴⁰	42,378	51,644	67,558	89,730	78,179	71,618	88,316	76.0%	402,304
Total Receiving Technical Assistance ^{41 42}	331,753	362,040	388,144	403,297	423,641	341,967	353,093	75.3%	1,993,899
Total Receiving ⁴³ Procurement Assistance	15,407	17,158	18,855	19,200	17,650	18,133	19,141	62.2%	118,532
SBA Outcomes Cost	SBA Annual Cost								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate ⁴⁴	FY 2006 Estimate	% Estimated by FY06	FY 03-07 Estimated
Total Financial Assistance Cost (\$000)	175,856	207,412	229,569	178,400	188,683	104,413	N/A	N/A	N/A
Total Technical Assistance Cost (\$000)	74,924	64,668	57,004	64,699	65,937	57,923	N/A	N/A	N/A
Total Procurement Assistance Cost (\$000)	40,740	51,075	40,855	44,193	43,678	51,583	N/A	N/A	N/A

40 Values changed from what was reported in the FY03 PAR due to the recalculation of the "Total Receiving Financial Assistance" and "Total Receiving Technical Assistance".

41 Estimate based on information received from the Entrepreneurial Development resource partners and derived from historical numbers of clients served. In FY2005 and FY2006, the Office of Entrepreneurial Development is implementing changes in its data collection methods to be able to provide actual numbers for the breakdown of its in-business, start-up and nascent clients.

42 A recalculation has occurred at the program level resulting in a change to this total. It no longer contains "Microloans—Loans Approved" as previously reported in the FY03 PAR. Not all Microloans receive technical assistance which would result in double-counting. The number of small businesses receiving technical assistance will use a direct measure of this output.

43 Change in total is due to an overall re-evaluation of program measurements at the program level. Please see the procurement assistance section for detailed information. An example of the changes is the Small Disadvantaged Business program which is now reported under LTO 1.6.

44 Cost figures are from FY05 Congressional Budget Submission.

During FY2004, SBA provided financial, technical and/or procurement assistance to 513,187 established small businesses (ESBs), substantially meeting its goal of 512,227. It should be noted that, in this case, the number of businesses assisted is treated as an outcome, as well as an output, in order to ensure that Agency programs do not selectively decrease the number of clients served as a means of achieving greater

measures of average business success. In that regard, SBA is working to develop the data systems to support the outcome measures dealing with the success of ESBs assisted by the Agency, including measures of survivability, job creation and revenue growth. **Also, for the year 2004, SBA exceeded its goal of an 85.5% customer satisfaction rating, by achieving a rating of 91.5%.**



SBA Financial Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ⁴⁵	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal ⁴⁶
Capital Access										
7(a) Loan Program	Loans approved (number)	30,562	38,239	51,718	72,000	60,502	56,235	71,483	79.3%	302,679
504 Loan Program	Loans approved (number)	4,235	4,491	5,542	6,255	6,897	6,800	7,392	70.3%	37,900
MicroLoan Program	Loans approved (number)	1,261	1,542	1,324	1,575	1,377 ⁴⁷	N/A ⁴⁸	N/A	N/A	N/A
SBIC	Value of financings (\$ million)	2,440	1,810	1,620	1,940	UNAVAIL.	1,960	2,360	59.5%	9,980
	Financings (number) ⁴⁹	2,558	2,826	3,469	2,976	3,302	3,000	3,650	75.2%	17,850
	Licenses issued (number)	51	41	36	35	37	35	35	76.9%	186
	Small businesses receiving financings (number)	N/A	N/A	N/A	N/A	1,600	UNAVAIL. ⁵⁰	UNAVAIL.	UNAVAIL.	UNAVAIL.
International Trade	Loans approved (number) ⁵¹	425	468	1,503	1,845	2,242	2,029	2,530	87.6%	9,483
	Lenders trained (number)	N/A	N/A	N/A	N/A	2,505	2,550	2,600	100.0%	7,655
	Export sales financing (\$ million)	608	616	668	700	924	750	1,200	98.4%	3,600

⁴⁵ Values that are indicated in italics are estimates.

⁴⁶ For goals and estimates starting after 2003, FY03-07 Goal represents data from start year until 2007

⁴⁷ Value as of October 19, 2004. Values will be updated to reflect actual 2004 MicroLoan program loans in the FY2005 PAR.

⁴⁸ Not Applicable (N/A)

⁴⁹ Indicator renamed. Original name was "Equity Financing"

⁵⁰ Unavailable (UNAVAIL.).

⁵¹ These loans are a subset of 7(a) and 504 loans and as such they are not added to the total financial assistance.

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs. Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
NMVC	Value of financing (\$ million)	N/A	0.5	2.7	8.0	9.7	11	25	152.7%	47
	Small businesses receiving financings (number) ⁵²	N/A	N/A	N/A	N/A	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL
	Operational assistance (\$ million)	N/A	0.5	1.3	1.9	1.9	4	3	95.6%	10
	Small businesses financed in low-income census track (number) ⁵³	N/A	N/A	N/A	N/A	TBD ¹⁸	TBD	TBD	TBD	TBD
	Financing in low-income census track (number) ⁵³	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
Surety Bonds	Bonds guaranteed (number)	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total Receiving OCA Financial Assistance ⁵⁴	42,378	51,644	67,558	89,730	78,179	71,618	88,316	76.5%	402,304

⁵² New performance indicator.⁵³ To Be Determined (TBD).⁵⁴ Total has been recalculated and no longer contains "SBIC-Financing" as proxy for the number of small businesses receiving financing assistance through the SBIC program. This output will be measured directly through the "Small businesses receiving financing" indicator.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
District Offices										
Capital Access										
7(a) Loan Program	Loans approved (number)	30,562	38,239	51,718	72,000	60,502	56,235	71,483	79.3%	302,679
504 Loan Program	Loans approved (number)	4,235	4,491	5,542	6,255	6,897	6,800	7,392	70.3%	37,900
MicroLoan Program	Loans approved (number)	1,261	1,542	1,324	1,575	1,377	N/A	N/A	N/A	N/A
International Trade	Loans approved (number)	425	468	1,503	1,845	2,242	2,029	2,530	87.6%	9,483
	Lenders trained (number) ⁵⁵	N/A	N/A	N/A	N/A	2505	2550	2600	100.0%	7,655
	Export sales financing (\$ million)	608	616	668	700	924	750	1,200	98.4%	3,600
Surety Bonds	Bonds guaranteed (number)	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total Receiving OCA Financial Assistance	42,378	51,644	67,558	89,830	76,579	71,618	88,316	74.8%	402,304
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
2.2.1 Increase the number of existing small businesses receiving SBA assistance.										
Capital Access										
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SBIC	ESB assisted	N/A	N/A	N/A	N/A	1,600	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
International Trade	ESB assisted	425	468	1,503	1,845	2,242	2,029	2,530	87.6%	9,483
NMVC	ESB assisted	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
Surety Bonds	ESB assisted	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total ESB Assisted	42,378	51,644	67,558	89,730	78,179	71,618	88,316	75.2%	402,304

⁵⁵ New performance indicator.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
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504 Loan Program	ESB assisted	4,235	4,491	5,542	6,255	6,897	6,800	7,392	70.3%	37,900
MicroLoans	ESB assisted	1,261	1,542	1,324	1,575	1,377	N/A	N/A	N/A	N/A
International Trade	ESB assisted	425	468	1,503	1,845	2,242	2,029	2,530	87.6%	9,483
Surety Bonds	ESB assisted	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total ESB Assisted	42,378	51,644	67,558	89,730	76,579	71,618	88,316	76.1%	402,304
2.2.5 Median customer satisfaction rate										
Capital Access										
7(a) Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
504 Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
MicroLoans	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
International Trade	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
Surety Bonds	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
District Offices										
7(a) Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
504 Loan Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
MicroLoans	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
International Trade	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
Surety Bonds	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03–07 Estimated
Capital Access										
7(a) Loans ⁵⁶	Total Program Cost (\$000)	137,666	159,628	158,795	125,838	139,910	56,039	N/A	N/A	N/A
	Loan Approving (\$000)	104,457	119,369	123,711	125,838	121,411	56,039	N/A	N/A	N/A
	Approving Admin Cost (\$000)	28,507	23,824	43,289	49,708	46,377	56,039	N/A	N/A	N/A
	Subsidy Cost (\$000)	75,950	95,545	80,422	76,130	75,034	–	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	3,418	3,122	2,392	1,748	2,007	997	N/A	N/A	N/A
	Loan Servicing (\$000)	21,199	15,934	14,027	–	10,146	N/A	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	17,019	11,398	10,361	N/A	5,882	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	79	97	30	N/A	97	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	4,101	4,439	3,636	N/A	4,167	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	12,010	24,325	21,057	N/A	8,353	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	12,010	24,325	21,057	N/A	8,353	N/A	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$) ⁵⁷	N/A	N/A	5,997	N/A	2,046	N/A	N/A	N/A	N/A
504 Loans	Total Program Cost (\$000)	17,398	17,705	30,014	23,816	27,181	23,735	N/A	N/A	N/A
	Loan Approving (\$000)	11,749	12,486	21,760	23,816	22,957	23,735	N/A	N/A	N/A
	Approving Admin Cost (\$000)	11,749	12,486	21,760	23,816	22,957	23,735	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	2,774	2,780	3,926	3,808	3,329	3,490	N/A	N/A	N/A
	Loan Servicing (\$000)	5,649	5,219	4,434	–	3,123	–	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	4,014	3,464	3,056	N/A	2,237	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	31	38	11	N/A	15	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	1,604	1,717	1,367	N/A	871	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	N/A	3,820	N/A	1,101	N/A	N/A	N/A	N/A
	Liquidation Admin Cost (\$000)	N/A	N/A	3,820	N/A	1,101	N/A	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$) ⁵⁸	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁵⁶ Includes STAR costs prior to FY2004.

⁵⁷ The cost per loan liquidated was calculated by dividing the Loan Liquidation cost by the number of 7(a) loans purchased in a fiscal year. Loan purchasing is the final step in loan liquidation.

⁵⁸ The methodology for calculating 504 loans liquidated unit cost is under development.

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources <i>Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.</i> <i>Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.</i>										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
MicroLoans	Total Program Cost (\$000)	1,466	2,056	5,357	5,131	3,782	706	N/A	N/A	N/A
	Loan Approving (\$000)	1,466	1,046	3,319	2,713	3,573	N/A	N/A	N/A	N/A
	Approving Administrative (\$000)	0	380	1,216	1,450	2,638	N/A	N/A	N/A	N/A
	Loan Subsidy (\$000)	1466	666	2,103	1,263	935	N/A	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	1,163	678	2,507	1,723	2,595	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	768	2,010	2,384	156	522	N/A	N/A	N/A
	Servicing Admin Cost (\$000)	N/A	768	2,010	2,384	156	522	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	242	28	34	53	184	N/A	N/A	N/A
	Loan Liquidation Admin. (\$000)	0	242	28	34	53	184	N/A	N/A	N/A
International Trade	Liquidation Admin Cost (\$000)	4,254	4,990	5,811	5,431	5,447	6,289	N/A	N/A	N/A
	Cost per Loan (\$)	10,009	10,662	3,866	2,944	2,430	3,100	N/A	N/A	N/A
Surety Bonds	Total Cost (\$000)	1,843	2,102	1,833	1,923	1,909	2,302	N/A	N/A	N/A
	Cost per Surety Bond (\$)	292	285	204	194	245	268	N/A	N/A	N/A
NMVC	Total Program Cost (\$000)	716	5,152	12,626	495	472	666	N/A	N/A	N/A
SBIC	Total Cost (\$000)	8,259	10,789	9,322	10,335	9,983	10,388	N/A	N/A	N/A
	New Licenses (\$000)	2,560	3,237	2,797	2,837	2,995	3,116	N/A	N/A	N/A
	Oversight/ Exams (\$000)	5,699	7,552	6,525	7,498	6,988	7,272	N/A	N/A	N/A
	Cost per Financing (\$)	3,229	3,818	2,687	3,473	3,023	3,463	N/A	N/A	N/A
	Total OCA Financing Assistance Cost (\$000) ⁵⁹	175,856	207,412	229,569	178,400	188,683	106,413	N/A	N/A	N/A

⁵⁹ International Trade loans cost is not added to this total since their cost has already been included as part of 7(a) loans.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual ⁶⁰	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
District Offices										
Capital Access										
7(a) Loan Program	Total Program Cost (\$000)	41,746	51,276	59,477	37,651	45,006	41,020	N/A	N/A	N/A
	Loan Approving (\$000)	20,292	19,698	33,724	37,651	35,069	41,020	N/A	N/A	N/A
	Administrative Cost (\$000)	20,292	19,698	33,724	37,651	35,069	41,020	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	664	515	652	523	580	729	N/A	N/A	N/A
	Loan Servicing (\$000)	12,775	11,874	9,084	0	4,652	0	N/A	N/A	N/A
	Administrative Cost (\$000)	11,228	9,345	7,953	N/A	4,269	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	20	36	15	N/A	N/A	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	1,527	2,493	1,116	N/A	383	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	8,679	19,704	16,669	0	5,285 ⁶¹	0	N/A	N/A	N/A
	Administrative Cost (\$000)	8,679	19,704	16,669	N/A	5,285	N/A	N/A	N/A	N/A
	Cost per Loan Liquidated	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

⁶⁰ Values that are indicated in italics are estimates.

⁶¹ The date of transfer of the liquidation function from the field offices to the National Guarantee Purchase Center was March, 2004. This cost was incurred prior to that date.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual ⁶⁰	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
504 Loan Program	Total Cost (\$000)	13,498	17,644	22,636	18,042	20,188	21,317	N/A	N/A	N/A
	Loan Approving (\$000)	8,155	10,304	16,848	18,042	17,362	21,317	N/A	N/A	N/A
	Approving Admin. Cost (\$000)	8,155	10,304	16,848	18,042	17,362	21,317	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	1,926	2,294	3,040	2,884	2,517	3,135	N/A	N/A	N/A
	Loan Servicing (\$000)	3,386	3,805	2,848	0	2,006	0	N/A	N/A	N/A
	Servicing Admin. Cost (\$000)	2,780	2,828	2,424	N/A	1,704	N/A	N/A	N/A	N/A
	Asset Sales (\$000)	8	13	5	N/A	8	N/A	N/A	N/A	N/A
	Lender Oversight (\$000)	598	964	419	N/A	294	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	1,957	3,535	2,940	0	820 ⁶²	0	N/A	N/A	N/A
	Liquidation Admin. Cost (\$000)	1,957	3,535	2,940	N/A	820	N/A	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
MicroLoans	Total Cost (\$000)	248	443	280	8	3,225	49	N/A	N/A	N/A
	Loan Approving (\$000)	–	165	236	4	3,207	N/A	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	48	33	3	13	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	–	40	35	4	8	25	N/A	N/A	N/A
	Loan Liquidation (\$000)	–	34	9	N/A	10	23	N/A	N/A	N/A
International Trade	Total Cost (\$000)	1,419	1,718	965	1,960	472	668	N/A	N/A	N/A
	Cost per Loan (\$)	3,339	3,671	642	1,062	210	329	N/A	N/A	N/A
Surety Bonds	Total Cost (\$000)	473	983	873	923	917	1,045	N/A	N/A	N/A
	Cost per Surety Bond (\$)	75	133	97	93	118	122	N/A	N/A	N/A
	Total OCA Financing Assistance Cost (\$000)	57,384	72,064	84,231	58,584	69,808	64,099	N/A	N/A	N/A

⁶² The date of transfer of the liquidation function from the field offices to the National Guarantee Purchase Center was March, 2004. This cost was incurred prior to that date.



During FY2004, the SBA worked through its Office of Capital Access (OCA) to increase the number of existing small businesses that received financial and trade assistance from SBA, and to ensure that the assistance provided was significantly beneficial. As reflected in the tables above, the SBA was not able to meet its goal under Outcome Measure 2.2.1 to assist least 89,730 existing small businesses (ESB) during the year. It served 78,179 instead.

Because the SBA has not yet developed the data systems to support Outcome Measures 2.2.2, 2.2.3 and 2.2.4, dealing with the success of these small businesses, OCA is not yet able to report on the measurable effectiveness of the financial assistance it provided. A program evaluation contract will be implemented during FY2005 that should provide the required data.

Even though the FY2004 goal was not met, the number of existing 7(a) loans increased to 60,502 which is a 17%, increase over the 51,718 loans approved in FY2003.

7(a) Loans Approved To Existing Small Businesses Cost & Results

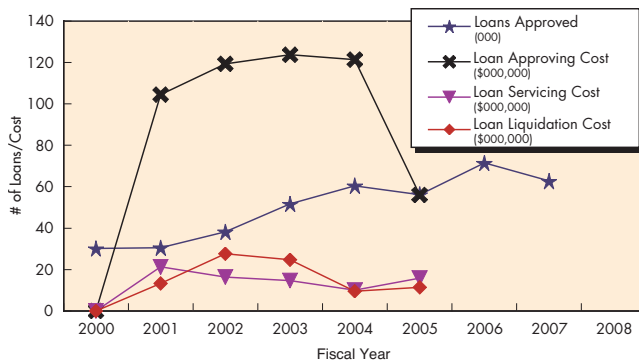


Figure 25

The 504 lending program exceeded its ESB FY2004 goal of lending financial assistance to at least 6,255 ESBs by reaching 6,897. This result represented an increase of 24% over FY2003 actual.

504 Loans Approved To Existing Small Businesses Cost & Results

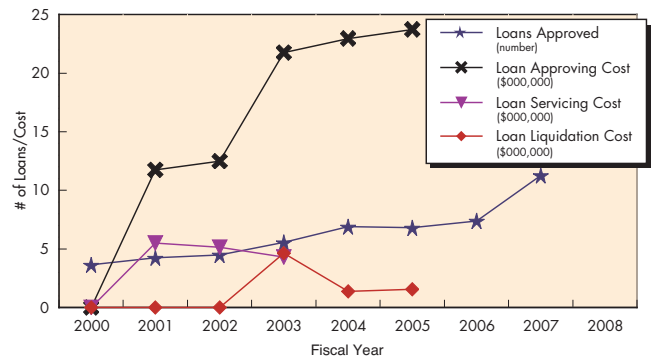


Figure 26

These changes have resulted in a record year in the history of the 504 Program. In FY2003, the program approved 8,357 loans to start-ups and existing businesses; representing approximately \$4.0 billion in financing assistance. The 504 authorization for FY2004 was \$4.5 billion. This translates into an increase of approximately 21% in loan numbers and 29% in dollars over FY2003, and an even more significant increase of 52% and 66% respectively over FY2002. The trade association in the 504 program went on record stating that CDCs are expanding their outreach efforts and hiring additional staff members to handle increased loan volume.

During FY2004, 1,377 existing small businesses received financing under the MicroLoan program. This means that the MicroLoan program did not meet its goal of assisting 1,575 existing small business. Despite not meeting its goal, the SBA approved MicroLoans at similar levels to FY2003.

MicroLoans Approved To Existing Small Businesses Cost & Results

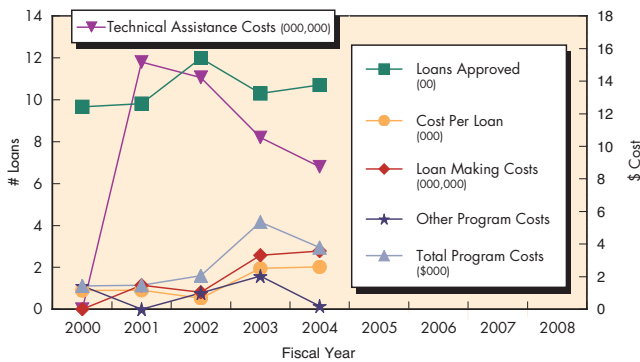


Figure 27

The SBA also provided financial assistance to small businesses unable to obtain bonds on their own. A total of 7,185 bond guarantees were approved for small businesses that may have otherwise not been able to bid for a given contract.

SBA's Small Business Investment Companies (SBICs) made 3,302 investments valued at an estimated \$2.074 billion to approximately 1,600 existing small businesses. Additionally, the SBIC program licensed 37 new SBICs this fiscal year, exceeding all of its goals for FY2004.

SBIC's Financings Approved To Existing Small Businesses Cost & Results

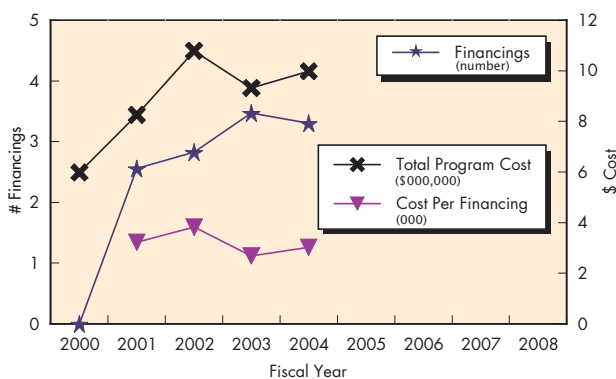


Figure 28

In order to better balance risk and reward in the SBIC portfolio, and to improve SBA's ability to measure the cost of subsidizing SBICs, the SBA implemented the following reforms: efficiently streamlining SBIC licensing

and oversight functions; imposing higher standards for license approvals; terminating Participating Security leverage availability and halting all new license applications as of 9/30/04; constructing and employing a new portfolio risk assessment model and rating system; prioritizing portfolio (SBIC) financial reviews through a three-category system; creating GAAP-type financial statements for the program; preparing regular (quarterly) reports on SBIC performance, impairment trends and cash flows; and rolling out the Division's new Website to provide more information on portfolio performance and risk management initiatives.

Besides backing small businesses in the domestic market, SBA provides valuable assistance through its promotion of foreign trade opportunities for small businesses. It does this primarily through the Office of International Trade. The SBA's international loan program helps small businesses to obtain loans that would otherwise not be available to them because of the reluctance of lenders to issue trade finance loans to small businesses. This type of assistance is important because small businesses account for 30% of U.S. exports, helping to balance the trade deficit.

International Trade Loans Approved To Existing Small Businesses Cost & Results

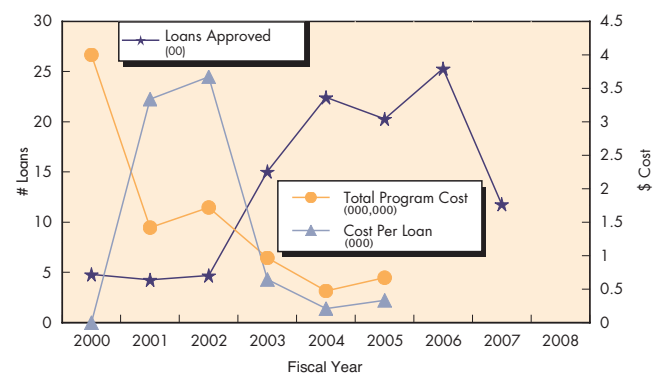


Figure 29

As indicated in the Program Outputs table, SBA exceeded its goals for the number of export loans and for the dollar value of export sales generated by these export loans. As part of the strategy to meet these goals, SBA staff held 143 events where 2,505 lenders received export finance



training. The SBA has established that one of the major impediments to the availability of financing for trading by small businesses is the lack of familiarity with this type of credit on the part of the lenders.

As noted previously, the SBA provided an important control by ensuring that SBA lenders are making and managing loans guaranteed by SBA in a manner that prevents unnecessary losses. See Long-Term Objective 2.1 for details.

Goals Not Met

SBA did not meet its goal under Outcome Measure 2.2.1 of financially assisting at least 72,000 existing small businesses (ESB) by guaranteeing that number of 7(a) loans during the year. Performance results were due to a number of factors that could not be anticipated at the time the goal was set. The FY2004 output goal was established based on the budgetary authority for 7(a) loans guarantees, and on the downward trend in the average loan size for the three previous years. In April, 2004, legislation was passed which increased the maximum size of an SBA loan guaranty. This Congressional action served to increase the average size of 7(a) loans. In prior years, the average size of a 7(a) loan had been declining, providing the basis for the 7(a) loan goal in FY2004. The SBA revised annual goals and long-term goals were revised to reflect the forecasted loan size and the expiration of the legislation.

SBA did not meet its goal for MicroLoans to existing small businesses, in part, because in FY2004, SBA introduced a production variable into the calculation of grant funding. That is, while staying within the bounds of the statute, SBA had a gradient formula that provided high percentages of technical assistance funding to those organizations making a higher number of MicroLoans.

This had a direct effect on internal goals because loans to start-ups are generally smaller than loans to existing businesses. When lending resources are delayed, production numbers can be increased by making a higher number of smaller loans, hence, a tendency toward more loans to start-up.

Secondly, because of the matching formula for technical assistance grants, when technical assistance resources were delayed, it was easier for intermediaries to absorb costs against pre-loan technical assistance than against post-loan technical assistance. Because start-up businesses will require more pre-loan technical assistance, intermediaries will tend to work with them slightly more than with experienced businesses.

Goals exceeded

In regard to the 504 program, new regulations were implemented during FY2004 to foster competition among Certified Development Companies (CDCs) so that potential borrowers in underserved areas would have access to credit under the program. The revised regulations have been successful in achieving this goal. These regulations significantly streamlined the 504 Program by reducing regulatory requirements placed on CDCs. The most significant of the changes was to lift the county limitations (in their individual states) previously placed on most CDCs. This provided them with the ability to serve their entire state, creating a more competitive and open market environment. Also, as a result of this change, more CDCs became eligible to expand into counties that are part of a local trade area in their neighboring state. What had previously been a monopolistic competitive environment was opened up significantly.

SBA Technical Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Acutal ⁶³	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
Capital Access										
MicroLoan Program	Hours technical assistance (number)	118,521	124,008	105,693	UNAVAIL. ⁶⁴	16,873 ⁶⁵	N/A ⁶⁶	N/A	N/A	N/A
	Small businesses receiving technical assistance (number)	N/A	N/A	N/A	N/A	1,377	N/A	N/A	N/A	N/A
International Trade	Attendees trained (number)	N/A	N/A	N/A	N/A	1,292	1,400	1,550	100.0%	4,242
	Clients counseled (number)	N/A	N/A	N/A	N/A	3,250	3,500	3,600	100.0%	10,350
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	TBD ⁶⁷	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Lenders trained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
Prime Technical Assistance	Not measured (N/M)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
	Total Receiving OCA Technical Assistance	N/A	N/A	N/A	N/A	5,919	4,900	5,150	N/A	14,592
Gov. Contracting / Business Development										
HUBZone	Training to small businesses leaving the program (number) ⁶⁸	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Training to newly designated HUB-Zone Communities (number) ⁶⁹	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
7(i) Program	Face-to-face training	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A
	Total Receiving GCBD Technical Assistance	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A

⁶³ Values that are indicated in italics are estimates.⁶⁴ Unavailable (UNAVAIL.).⁶⁵ MicroLoan hours of technical assistance are year-to-date as of October 19, 2004.⁶⁶ No funding for this program was requested in the FY05 budget.⁶⁷ To Be Determined (TBD)⁶⁸ New Performance Indicator.⁶⁹ FY2004 was the first year this International trade indicator has been measured. Applies to: Attendees trained (number), Clients counseled (number), Training hours (number), Counseling hours (number), Lenders trained (number)



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Acutal	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Entrepreneurial Development										
SCORE	Attendees trained (number) ⁷⁰	16,499	20,388	23,516	24,221	22,721	15,777	16,250	52.2%	150,002
	Clients counseled (number) ⁷¹	49,450	54,462	57,117	58,831	55,929	36,812	37,917	50.8%	369,516
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	N/A	N/A	N/A	17,543	18,596	14,557	14,993	77.0%	62,536
	Counseling hours (number) ⁷¹	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
SBDC ⁷²	Attendees trained (number)	138,335	149,670	159,219	163,996	175,419	168,915	173,983	80.2%	845,315
	Clients counseled (number)	99,429	104,339	108,920	112,188	109,350	94,754	97,596	79.9%	513,982
	Training hours (number)	612,179	617,496	686,765	707,368	743,826	766,141	789,125	79.4%	3,762,197
	Online users counseled online (number) ⁷¹	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	583,401	576,873	610,835	629,160	579,880	597,277	615,195	77.9%	3,086,117

⁷⁰ Name changed - Reported in SBA's FY03 PAR as, "Clients Trained".

⁷¹ New performance indicator.

⁷² Small Business Development Centers (SBDC)

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs. Long-Term Objective 2.2; Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
WBC ⁷³	Attendees trained (number)	7,576	11,013	12,845	13,230	16,006	11,885	12,241	86.4%	61,297
	Clients counseled (number)	4,577	6,137	8,477	8,731	8,536	6,594	6,791	85.7%	35,485
	Training hours (number) ⁷⁴	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number) ⁷⁴	N/A	N/A	N/A	N/A	6,283	N/A	TBD	TBD	TBD
	Counseling hours (number) ⁷⁴	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
BIC ⁷⁵	Clients counseled (number) ⁷⁶	14,215	14,666	16,550	16,550	16,627	N/A ⁷⁷	N/A	N/A	N/A
SBTN ⁷⁸	Online users taking online courses (number) ⁷⁴	55,390	60,320	199,701	216,916	289,888	215,976	222,456	91.8%	953,715
	Registered clients taking online courses (number) ⁷⁴	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
DFWP ⁷⁹	Small businesses establishing drug-free workplace programs (number)	1,671	1,365	1,500	1,550	1,075	330	165	82.8%	3,710
	Total number of small business clients educated about benefits	N/A	N/A	11,873	12,000	19,400	6,500	3,250	112.1%	36,600
NAO ⁸⁰	Clients trained (number) ⁷⁴	N/A	N/A	N/A	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL
One Stop Capital Shop ⁸¹	Not measured (N/M)	N/M	N/M	N/M	N/A	N/A	N/A	N/A	N/A	N/A
	Total ED Receiving Technical Assistance	331,753	362,040	388,144	399,297	411,946	335,067	344,943	74.5%	1,979,307

⁷³ Women Business Center (WBC)

⁷⁴ New performance indicator.

⁷⁵ Business Information Center (BIC)

⁷⁶ No funding was requested for the BIC program as part of the FY2005 Congressional Budget Submission

⁷⁷ Erroneous reporting was published in the 2003 PAR for BIC values for fiscal years 2000, 2001, and 2002.

⁷⁸ Small Business Training Network (SBTN).

⁷⁹ Drug Free Work Place (DFWP).

⁸⁰ Native American Outreach (NAO).

⁸¹ Entrepreneurial Development (ED).



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
Capital Access										
Micro-Loans	Hours technical assistance (number)	118,521	124,008	105,693	UNAVAIL	16,873	N/A	N/A	N/A	N/A
	Small businesses receiving technical assistance (number)	N/A	N/A	N/A	N/A	1,377	N/A	N/A	N/A	N/A
International Trade ⁸²	Attendees trained (number)	N/A	N/A	N/A	N/A	1,292	1,400	1,550	100.0%	4,242
	Clients counseled (number)	N/A	N/A	N/A	N/A	3,250	3,500	3,600	100.0%	10,350
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Total Receiving OCA Technical Assistance ⁸³	N/A	N/A	N/A	N/A	5,919	4,900	5,150	N/A	14,592
Gov. Contracting / Business Development										
HUBZONE	Training to small businesses leaving the program (number) ⁸⁴	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Training to newly designated HUBZone Communities (number) ⁸⁴	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
7(i) Program	Face-to-face training	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A
	Total Receiving GCBD Technical Assistance ⁸⁵	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A

⁸² These International Trade performance indicators are new indicators.

⁸³ Capital Access (CA).

⁸⁴ New performance indicator.

⁸⁵ Government Contracting and Business Development (GCBD).

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Entrepreneurial Development										
SCORE	Attendees trained (number) ⁸⁶	16,499	20,388	23,516	24,221	22,721	15,777	16,250	52.2%	150,002
	Clients counseled (number)	49,451	54,462	57,117	58,831	55,929	36,812	37,917	50.8%	369,516
SBDC	Attendees trained (number)	138,335	149,670	159,219	163,996	175,419	168,915	173,983	80.2%	845,315
	Clients counseled (number)	99,429	104,339	108,920	112,188	109,350	94,754	97,596	79.9%	513,982
WBC	Attendees trained (number)	7,576	11,013	12,845	13,230	16,006	11,885	12,241	86.4%	61,297
	Clients counseled (number)	4,577	6,137	8,477	8,731	8,536	6,594	6,791	85.7%	35,485
BIC	Clients counseled (number)	14,215	14,666	16,550	16,550	16,627	N/A	N/A	N/A	N/A
DFWP	Small businesses establishing drug-free workplace programs (number)	1,671	1,365	1,500	1,550	1,075	330	165	82.7%	3,710
	Total number of small business clients educated about benefits	N/A	N/A	11,873	12,000	19,400	6,500	3,250	112.1%	36,600
One Stop Capital Shop	Not measured (N/M)	N/M	N/M	N/M	N/A	N/A	N/A	N/A	N/A	N/A
	Total ED Receiving Technical Assistance	331,753	362,040	388,144	399,297	411,946	335,067	344,943	74.5%	1,979,307

⁸⁶ Name changed. Reported in 2003 as "Clients trained."



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.2.1 Increase the number of existing small businesses receiving SBA assistance.										
Capital Access										
Micro-Loans	ESB assisted	N/A	N/A	N/A	N/A	1,377	N/A	N/A	N/A	N/A
International Trade	ESB assisted	N/A	N/A	N/A	N/A	4,542	4,900	5,150	100%	14,592
Prime Technical Assistance	ESB assisted	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
	Total ESB Assisted	N/A	N/A	N/A	N/A	5,919	4,900	5,150	N/A	14,592
Gov. Contracting / Business Development										
7(i) Program	ESB assisted	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A
	Total ESB Assisted	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A
Entrepreneurial Development										
SCORE	ESB assisted	65,950	74,850	80,633	83,052	78,650	52,589	54,167	51.2%	519,518
SBDC	ESB assisted	237,764	254,009	268,139	276,184	284,769	263,669	271,579	80.1%	1,359,297
WBC	ESB assisted	12,153	17,150	21,322	21,961	24,542	18,479	19,032	86.1%	96,782
BIC	ESB assisted	14,215	14,666	16,550	16,550	16,627	N/A	N/A	N/A	N/A
DFWP	ESB assisted	1,671	1,365	1,500	1,550	1,075	330	165	82.8%	3,710
One Stop Capital Shop	ESB assisted	N/M	N/M	N/M	N/A	N/A	N/A	N/A	N/A	N/A
NAO	ESB assisted	N/A	N/A	N/A	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL
	Total ESB Assisted	331,753	362,040	388,144	399,297	411,946	335,067	344,943	74.5%	1,979,307

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
MicroLoans	ESB assisted	N/A	N/A	N/A	N/A	1,377	N/A	N/A	N/A	N/A
International Trade	ESB assisted	N/A	N/A	N/A	N/A	4,542	4,900	5,150	100%	14,592
Prime Technical Assistance	Not measured (N/M)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
7(i) Program	ESB assisted	N/A	N/A	N/A	4,000	5,776	2,000	3,000	N/A	N/A
SCORE	ESB assisted	65,950	74,850	80,633	83,052	78,650	52,589	54,167	51.2%	519,518
SBDC	ESB assisted	237,764	254,009	268,139	276,184	284,769	263,669	271,579	80.1%	1,359,297
WBC	ESB assisted	12,153	17,150	21,322	21,961	24,542	18,479	19,032	86.1%	96,782
BIC	ESB assisted	14,215	14,666	16,550	16,550	16,627	N/A	N/A	N/A	N/A
DFWP	ESB assisted	1,671	1,365	1,500	1,550	1,075	330	165	82.8%	3,710
One Stop Capital Shop	Not measured (N/M)	N/M	N/M	N/M	N/A	N/A	N/A	N/A	N/A	N/A
NAO	ESB assisted	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Total ESB Assisted	331,753	362,040	388,144	403,297	412,816	337,067	347,943	75.1%	1,979,307



U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs. Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.2.5 Median customer satisfaction rate										
Program Offices										
Micro-Loans	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
Prime Technical Assistance	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	TBD
International Trade	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
HUBZone	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
7(i) Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
SCORE	% Customer Satisfaction	N/A	83.0%	83.0%	87.0%	89.0%	90.0%	90.0%	98.9%	90.0%
SBDC	% Customer Satisfaction	N/A	87.5%	UNAVAIL.	88.5%	TBD	89.0%	TBD	TBD	90.0%
WBC	% Customer Satisfaction	75.0%	UNAVAIL.	80.0%	81.0%	94.0%	81.6%	TBD	TBD	90.0%
BIC	% Customer Satisfaction	93%	N/A	90%	N/A	N/A	N/A	N/A	N/A	N/A
DFWP	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
One Stop Capital Shop	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
NAO	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	84.0%	85.3%	85.0%	85.5%	91.5%	86.9%	90.0%	98.9%	90.0%

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.									
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.									
SBA Program Level-Technical Assistance									
SBA Programs	Outcome Measures	Program Annual Outcome Measures							
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	% Achieved by FY06	FY 03–07 Goal
2.2.5 Median customer satisfaction rate									
District Offices									
MicroLoans	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
Prime Technical Assistance	% Customer Satisfaction	N/A	N/A	N/A	N/A	N/A	TBD	TBD	90.0%
International Trade	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
HUBZone	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
7(i) Program	% Customer Satisfaction ⁸⁷	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
SCORE	% Customer Satisfaction	N/A	83.0%	83.0%	87.0%	89.0%	90.0%	98.9%	90.0%
SBDC	% Customer Satisfaction	N/A	87.5%	UNAVAIL.	88.5%	TBD	89.0%	TBD	90.0%
WBC	% Customer Satisfaction	75.0%	UNAVAIL.	80.0%	81.0%	94.0%	81.6%	TBD	90.0%
BIC	% Customer Satisfaction	93.0%	N/A	90.0%	N/A	N/A	N/A	N/A	N/A
DFWP	% Customer Satisfaction ⁸⁷	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
One Stop Capital Shop	% Customer Satisfaction ⁸⁷	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
NAO	% Customer Satisfaction ⁸⁷	N/A	N/A	N/A	N/A	TBD	TBD	TBD	90.0%
	Total	84.0%	85.3%	85.0%	85.5%	91.5%	86.9%	98.9%	90.0%

⁸⁷ New Performance Indicator.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
Capital Access										
Micro-Loans	Total Cost (\$000)	11,807	11,068	8,200	9,498	6,806	N/A	N/A	N/A	N/A
	Cost per Hour of Technical Assistance (\$000)	100	89	78	N/A	403	N/A	N/A	N/A	N/A
	Tech Asst (\$000)	1,697	435	123	148	545	N/A	N/A	N/A	N/A
	Tech Asst Training(\$000)	124	78	140	83	42	N/A	N/A	N/A	N/A
	Tech Asst Grants (\$000)	9,986	10,555	7,937	9,267	6,219	N/A	N/A	N/A	N/A
	Total OCA Technical Assistance Cost (\$000)	11,807	11,068	8,200	9,498	6,806	N/A	N/A	N/A	N/A
Gov. Contracting / Business Development										
7(i) Program	Total Cost (\$000)	7,323	4,534	2,803	4,187	4,626	3,274	N/A	N/A	N/A
	Cost per participant (\$)	N/A	N/A	N/A	N/A	1,157	567	N/A	N/A	N/A
	Total GCBD Technical Assistance Cost (\$000)	7,323	4,534	2,803	4,187	4,626	3,274	N/A	N/A	N/A
SBTN	Total Cost (\$000)	N/A	N/A	N/A	416	420	422	N/A	N/A	N/A
	Cost per client served (\$)	N/A	N/A	N/A	2	1	2	N/A	N/A	N/A

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
Entrepreneurial Development										
SCORE	Total Cost (\$000)	2,016	2,256	1,918	2,325	2,926	3,920	N/A	N/A	N/A
	Cost per client served (\$)	31	30	24	28	37	75	N/A	N/A	N/A
SBDC	Total Cost (\$000)	39,127	39,043	36,176	38,174	40,381	40,998	N/A	N/A	N/A
	Cost per client served (\$)	165	154	135	138	142	155	N/A	N/A	N/A
WBC	Total Cost (\$000)	4,267	3,490	3,328	3,305	4,318	4,731	N/A	N/A	N/A
	Cost per client served (\$)	351	204	156	150	176	256	N/A	N/A	N/A
BIC	Total Cost (\$000)	1,213	1,194	102	1,277	995	N/A	N/A	N/A	N/A
DFWP	Total Cost (\$000)	N/A	2,773	1,941	1,025	1,025	1,037	N/A	N/A	N/A
NAO	Total Cost (\$000)	2,233	310	2,536	4,492	4,440	3,541	N/A	N/A	N/A
One Stop Capital Shop	Total Cost (\$000)	6,938	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Total ED Technical Assistance Cost (\$000)	55,794	49,066	46,001	51,014	54,505	54,649	N/A	N/A	N/A



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
Capital Access										
Micro-Loans	Total Cost (\$000)	248	204	40	208	56	N/A	N/A	N/A	N/A
	Cost per Hour (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Tech Asst (\$000)	248	204	40	208	56	N/A	N/A	N/A	N/A
	Tech Asst Training(\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Tech Asst Grants (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	248	204	40	208	56	N/A	N/A	N/A	N/A
Gov. Contracting / Business Development										
7(j) Program	Total Cost (\$000)	2,278	593	350	619	611	543	N/A	N/A	N/A
	Cost per participant (\$)	N/A	N/A	N/A	155	106	272	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	2,278	593	350	619	611	543	N/A	N/A	N/A
Entrepreneurial Development										
SCORE	Total Cost (\$000)	713	763	812	841	1,287	1,796	N/A	N/A	N/A
	Cost per client served (\$)	11	10	10	10	16	34	N/A	N/A	N/A
SBDC	Total Cost (\$000)	2,220	2,025	1,215	1,234	3,365	4,103	N/A	N/A	N/A
	Cost per client served (\$)	9	8	5	5	12	16	N/A	N/A	N/A
WBC	Total Cost (\$000)	983	322	433	446	1,192	1,536	N/A	N/A	N/A
	Cost per client served (\$)	81	19	20	20	49	83	N/A	N/A	N/A
BIC	Total Cost (\$000)	731	825	65	608	584	N/A	N/A	N/A	N/A
NAO	Total Cost (\$000)	905	60	76	1,588	1,562	2,360	N/A	N/A	N/A
One Stop Capital Shop	Total Cost (\$000)	4,304	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total Technical Assistance Cost (\$000)		9,856	3,995	2,601	4,717	7,991	9,795	N/A	N/A	N/A

During FY2004, the SBA worked to increase the number of existing small businesses that received training and counseling services through the Office of Entrepreneurial Development (ED), and to ensure that the assistance provided was significantly beneficial in contributing to the success of the small businesses assisted by tailoring it to the needs of the individual businesses. As shown in the tables above, the SBA was able to meet its annual goal under Outcome Measure 2.2.1 by assisting an estimated 411,946 small businesses.

During FY2004, the Women's Business Centers (WBC) contributed to SBA's outcome and outputs target relating to Outcome Measure 2.2.1 by providing training and counseling services to 24,542 clients, exceeding its goal of serving at least 21,961 clients. Within that combined goal, WBC substantially met its target by counseling 8,536 clients, and exceeded its goal for client training by 21% to 16,006 attendees trained.

During 2004, the Small Business Development Center (SBDC) Program worked with existing companies to provide counseling and training in such areas as procurement, manufacturing assistance, use of technology and international trade. As the tables indicate, this assistance contributed to efforts to achieve ED-wide goals by assisting a total of 405,663 existing small businesses (ESBs). This result included providing training to 175,419 clients and providing counseling to 109,350 clients, thereby meeting both goals in those areas. Data on information transfer contacts, counseling hours and training hours also demonstrate that the SBDC program has a huge national outreach capability and that in-depth, long-term counseling pays off with increased positive impact for clients.

The SBDC program authorization requires that SBDC centers have the capability to serve all levels of business growth. During 2004, SBDC served its diverse clientele by providing training that addresses such issues as government procurement, international trade/exporting, improved marketing plans, successful business management strategies, use of technology, manufacturing assistance, loan packaging and venture capital assistance. Increased emphasis is being placed on the existing business market since this is the market sector that is capable of the greatest economic gains.

In addition to their funding from SBA, most SBDCs are also funded by state governments. The current interest of state governments, given the economic condition of most states, is to concentrate on that economic development which can provide the most efficient and dramatic positive impact on the economy - namely, the growth and expansion of existing businesses. Almost 40% of the current SBDC client base is existing businesses - and this is expected to continue to grow in the future.

SBDC Program Start-Up & Existing Small Businesses Cost & Results

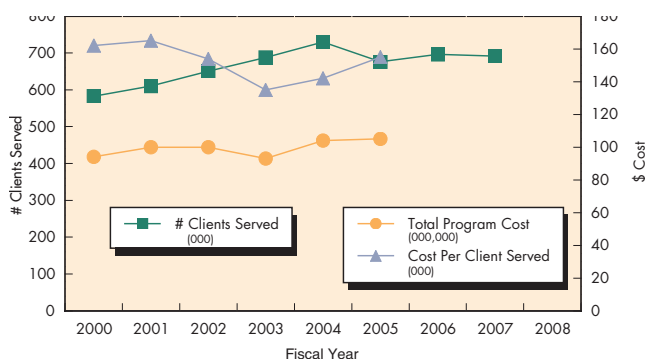


Figure 30



As shown in the tables, SCORE provided training and counseling to an estimated total of 78,650 existing small business clients, meeting its combined goal of 83,052. SCORE substantially met both its counseling and training goals.

In addition to the programs managed by the Office of Entrepreneurial Development, the SBA counts on the Office of Capital Access to provide export technical assistance through its Office of International Trade. During FY2004, SBA provided counseling to 3,250 small business exporters; conducted 53 E-TAP (Export Trade Assistance Partnership) with 805 small business participants; trained 1,292 small business clients; participated in 165 trade events for small business; and recruited 80 firms for trade missions/trade shows.

Goals Not Met

The SBA had set a goal of providing assistance to 1,550 existing businesses to establish drug-free workplace programs for FY2004, based upon a budget request for this program of \$3 million. SBA only received \$989,000 for this program in FY2004. The FY2005 goals have been adjusted to account for the fact that SBA expects to fund 12 intermediaries for FY2005 and has a budget for this program of \$1 million.

SBA Procurement Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Procurement Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Capital Access										
Surety Bonds	Bonds guaranteed (number)	6,320	7,372	8,974	9,900	7,803	8,582	9,441	56.4%	61,725
	Total Receiving OCA Procurement Assistance	6,320 ⁸⁸	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
Gov. Contracting / Business Developement (GCBD)										
HUBZone	HUBZone small businesses certified annually (number)	2,145	2,786	2,338	2,200	2,294	2,200	2,200	82%	11,000
	Program examinations completed (number) ⁸⁹	N/A	N/A	N/A	500	505	575	675	90%	1,950
	Program recertification actions (number)	N/A	N/A	N/A	N/A	N/A	3,500	2,700	100%	6,200
8(a) Program	Small businesses participating at year end (number)	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65%	45,807
	Applications screening (days)	N/A	N/A	N/A	15	15	14	13	67%	10
	Application processing (days)	N/A	N/A	N/A	90	45	45	30	67%	30
	Net number of small businesses certified	N/A	N/A	N/A	500	511	550	600	N/A	N/A
	Total Receiving GCBD Procurement Assistance ⁸⁸	9,087	9,786	9,881	9,300	9,847	9,550	9,700	69%	56,807

⁸⁸ Change in total is due to an overall re-evaluation or program measurements. Additional performance was able to be captured.

⁸⁹ New Performance Indicator.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Procurement Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
Capital Access										
Surety Bonds	Bonds guaranteed (number)	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total Receiving OCA Procurement Assistance ⁹⁰	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
Gov. Contracting / Business Development ⁹¹										
HUBZONE	HUBZone small businesses certified annually (number)	2,145	2,786	2,338	2,200	2294	2,200	2,200	82%	11,000
8(a) Program	Program examinations completed (number)	N/A	N/A	N/A	500	505	575	675	90%	1,950
	Program recertification actions (number)	N/A	N/A	N/A	N/A	N/A	3,500	2,700	100%	6,200
	Small businesses participating at year end (number)	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65%	45,807
	Applications screening (days)	N/A	N/A	N/A	15	15	14	15	67%	10
	Application processing (days)	N/A	N/A	N/A	90	45	45	30	67%	30
	Net number of small businesses certified	N/A	N/A	N/A	500	518	550	600	N/A	N/A
	Total Receiving GCBD Procurement Assistance ⁹⁰	9,087	9,786	9,881	9,300	9,847	9,550	9,700	69%	56,807

⁹⁰ Change in total is due to an overall re-evaluation or program measurements.

⁹¹ All of Government Contracting and Business Development's Intermediate Outcome measures in this Long-Term Objective are new performance indicators.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Procurement Assistance										
SBA Programs	Intermediate Outcome Measures	Program Annual Intermediate Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Gov. Contracting / Business Development										
HUBZone Program	Federal contract dollars awarded	0.72%	0.71%	N/A	3.00%	N/A	3.00%	2.0%	TBD	TBD
	Capital Investment increase (percentage)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Jobs created/retained (number)	N/A	N/A	N/A	N/A	150,000	157,500	157,500	97%	480,375
8(a) Program	Small businesses still in business 3 years from date of exiting 8(a) program (percentage)	N/A	N/A	N/A	69.0%	86.0%	70.0%	70.0%	114.7%	75.0%
	Total GCBD Jobs Created/Retained	N/A	N/A	N/A	N/A	150,000	157,500	157,500	97%	480,375
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.2.1 Increase the number of existing small businesses receiving SBA assistance.										
Capital Access										
Surety Bonds	ESB assisted	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
	Total ESB Assisted	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
Gov. Contracting / Business Development										
HUBZone	ESB assisted	2,145	2,786	2,338	2,200	2,294	2,200	2,200	82.1%	11,000
8(a) Program	ESB assisted	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65.4%	45,807
	Total ESB Assisted	9,087	9,786	9,881	9,300	9,847	9,550	9,700	68.6%	56,807
District Offices										
Surety Bonds	ESB assisted	6,320	7,372	8,974	9,900	7,803	8,583	9,441	56.4%	61,725
HUBZone	ESB assisted	2,145	2,786	2,338	2,200	2,294	2,200	13,500	184.8%	11,000
8(a) Program	ESB assisted	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65.4%	45,807
	Total ESB Assisted	15,407	17,158	18,855	19,200	17,032	18,133	30,441	71.8%	118,532



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Procurement Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.2.5 Median customer satisfaction rate										
District Offices										
Surety Bonds	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
HUBZone	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
8(a) Program	% Customer Satisfaction	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
	Total	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD	90.0%
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimated
Capital Access										
Surety Bonds	Total Cost (\$000)	1,843	2,102	1,833	1,923	1,909	2,302	N/A	N/A	N/A
	Cost per Surety Bond (\$)	292	570	409	389	531	536	N/A	N/A	N/A
	Total OCA Procurement Assistance Cost (\$000)	1,843	2,102	1,833	1,923	1,909	2,302	N/A	N/A	N/A
Gov. Contracting / Business Development										
HUBZone	Total Cost (\$000)	5,804	6,539	5,648	6,671	6,825	7,297	N/A	N/A	N/A
	Cost per Small Business (\$)	2,706	2,347	2,416	3,032	2,975	3,317	N/A	N/A	N/A
8(a)Program	Total Cost (\$000)	33,093	42,434	33,374	35,599	34,945	41,984	N/A	N/A	N/A
	Cost per Small Business (\$)	4,767	6,062	4,425	5,014	4,627	5,712	N/A	N/A	N/A
	Total GCBD Procurement Assistance Cost (\$000)	38,897	48,973	39,022	42,270	41,769	49,281	N/A	N/A	N/A

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.2: Maximize the sustainability and growth of existing small business (ESB) assisted by SBA.										
SBA Program Level-Procurement Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
Capital Access										
Surety Bonds	Total Cost (\$000) ⁵⁷	473	983	873	923	917	1,045	N/A	N/A	N/A
	Cost per Surety Bond (\$)	75	133	97	93	128	108	N/A	N/A	N/A
	Total OCA Procurement Assistance Cost (\$000)	473	983	873	923	917	1,045	N/A	N/A	N/A
Gov. Contracting / Business Development										
HUBZone	Total Cost (\$000)	1,763	2,837	2,657	3,031	3,034	3,525	N/A	N/A	N/A
	Cost per Small Business (\$)	822	1,018	1,136	1,378	1,322	1,602	N/A	N/A	N/A
8(a) Program	Total Cost (\$000)	19,203	27,078	22,171	24,326	24,187	27,921	N/A	N/A	N/A
	Cost per Small Business (\$)	2,766	3,868	2,939	3,426	3,202	3,799	N/A	N/A	N/A
	Total GCBD Procurement Assistance Cost (\$000)	20,966	29,915	24,828	27,357	27,221	31,445	N/A	N/A	N/A

⁹² To prevent double-counting, the cost of surety bonds has been allocated equally between financial assistance costs and procurement assistance costs.



During FY2004, the SBA worked to increase the number of existing small businesses (ESBs) that received procurement assistance from SBA, and to ensure that the assistance provided resulted in new Federal procurement opportunities for small businesses which traditionally have had difficulties accessing this large source of potential revenues. Two offices contributed to this objective: the Office of Government Contracting and Business Development (GCBD) and the Office of Capital Access (OCA). Several programs worked together to achieve this goal. Their efforts are being described under this objective and in more detail under Long-Term Objective 2.3. As shown in the tables, SBA fell 8% short of its FY2004 goal of assisting a total of 19,200 existing small businesses. It assisted 17,650 existing small businesses, instead.

HUBZone program efforts to expand the number of clients served in 2004 integrated several initiatives that contributed to the SBA's ability to meet the target, including marketing and outreach efforts by the SBA's district offices.

Additionally, several actions were taken during the past year to improve the effectiveness of HUBZone services provided to existing small businesses. These actions included launching of a comprehensive marketing campaign to increase acquisition agencies' understanding of statutory and regulatory provisions of the HUBZone, 8(a) and SDB Programs, with the intent of increasing use of these programs.

The HUBZone Program also conducted a special emphasis financing initiative for firms certified under the program. Pilot-tested in the Philadelphia District through this initiative, the Agency sought to increase the ability of firms to obtain working capital and to finance receivables arising out of contract awards. This collaboration among program lines increases program effectiveness, while reducing the overall cost.

Further, during FY2004, the HUBZone Program implemented a fully electronic process for monitoring requirements that could have been set aside for award under the program, but which were not. By identifying such requirements at the earliest opportunity, then automatically notifying procurement officials, the program encourages broader use of the HUBZone Program.

A valuable component of SBA's procurement assistance to small businesses is the Agency's backing of surety bonds. This is an important service because it increases the opportunities for small businesses to bid for contracts by providing a source for bonding not otherwise available, and without which, the small businesses could not compete for the contracts. SBA had an FY2004 goal of 9,900 bond guarantee approvals. However, as the Program Output table indicates, the SBA was unable to meet its performance target of 9,900 bond guarantee approvals for fiscal year 2004. Instead, a total of 7,803 bond guarantees were approved. Even though the goal was not met, the bond guarantees issued resulted in an estimated \$634 million in contract value (an increase of 7% over FY2003), generating 5,462 jobs.

Surety Bonds to Existing Business Cost & Results

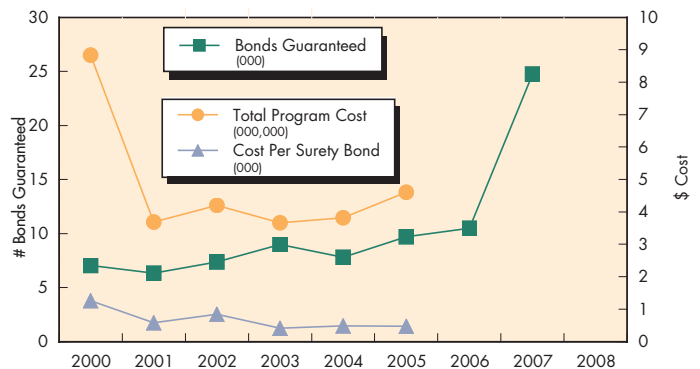


Figure 31

Goals Not Met

The SBA did not meet its annual goal of issuing 9,900 bond guarantees to existing small businesses. The bond program's shortfall occurred due to the fact that on September 30, 2003, the legislation for the Preferred Surety Bond Guarantee pilot program sunset. The program was extended through continuing resolutions, but expired on June 4, 2004, after no legislation was passed extending the program again or making it a permanent program. Activity in the Preferred Surety Bond Program for the past several years had been 40% of the total program volume and was poised to surpass that level prior to the shutdown. Consequently, the SBA was unable to meet its goal. Due to the nature of contracting and therefore, the bonding necessary for those contracts, the busi-

ness loss during the period of the shutdown could not be recaptured.

On September 30, 2004, a Continuing Resolution was passed, providing temporary authorization for the Preferred Surety Bond (PSB) Program through November 20, 2004 only. With the uncertainty of the PSB Program reauthorization legislation, the SBA needs to adjust its future annual goals and long-term goals, using the new baseline of actual figures from FY2004. During FY2005, even if the program is not reauthorized, the SBA will use streamlining strategies and increase marketing and outreach to enroll additional sureties in the Prior Approval (Plan A) Surety Bond Guarantee Program in order to increase bond guarantee assistance to small businesses.



LONG-TERM OBJECTIVE 2.3

SBA Agency-Wide Annual Results

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources									
<i>Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.</i>									
<i>Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).</i>									
SBA Agency-Level Assistance									
SBA Outcome Measures	SBA Annual Outcome Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ⁹³	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal ⁹⁴
2.3.1 Increase the number of start-ups and existing small businesses facing special competitive opportunity gaps (COG) receiving SBA assistance.	12,753	48,078	64,283	68,767	612,890 ⁹⁵	495,149	513,334	96.5%	1,752,003
2.3.2 By FY2008, small businesses facing special competitive opportunity gaps that were assisted by SBA, will exceed the National survivability rate for comparable small businesses within the first 2 years of existence.	N/A ⁹⁶	28,857	41,605	TBD ⁹⁷	TBD	TBD	TBD	TBD	TBD
2.3.3 By FY2008, small businesses facing special competitive opportunity gaps that were assisted by SBA, will exceed the National average rate of comparable small business job creation within 2 years of that assistance.	N/A	3,004	3,962	TBD	TBD	TBD	TBD	TBD	TBD
2.3.4 By FY2008, small businesses facing special competitive opportunity gaps that were assisted by SBA, will exceed the National average rate of comparable small business revenue growth within 2 years of that assistance.	N/A	N/A	TBD	TBD	TBD	TBD	TBD	TBD	TBD
SBA Output Measures	SBA Annual Output Measures								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Total Receiving Financial Assistance ⁹⁸	1,833	36,187	51,021	52,117	71,109	53,501	57,200	48.7%	338,786
Total Receiving Technical Assistance ⁹⁹	N/A	N/A	N/A	N/A	529,755 ¹⁰⁰	429,701	443,634	65.5%	1,333,426
Total Receiving Procurement Assistance	10,920	11,891	13,262	12,650	12,026	11,947	12,500	46.5%	79,791

⁹³ Values that are indicated in italics are estimates.

⁹⁴ For goals and estimates starting after 2003, FY 03-07 Goal represents data from start year until 2007.

⁹⁵ The Entrepreneurial Development's performance indicator included in previous reports, has been discontinued. Historical information for the new indicator was not available. Consequently, values for this outcome prior to FY2004 are artificially low.

⁹⁶ Not Applicable (N/A).

⁹⁷ To be determined (TBD).

⁹⁸ Total receiving financial assistance was recalculated to reflect the changes in the number of MicroLoans included in this ITO.

⁹⁹ Entrepreneurial Development values for technical Assistance Output measures would normally be comprised of Minorities, Veterans, and women. We have included the numbers for Women only to avoid double counting. FY2006 report will provide better data.

¹⁰⁰ FY2004 ITO 2.3 Indicator includes new Entrepreneurial Development measures, including a breakdown of the numbers of small businesses assisted through training or counseling.

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
<i>Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.</i>									
<i>Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).</i>									
SBA Agency-Level Assistance									
SBA Outcomes Cost	SBA Annual Cost								
	FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Total Financial Assistance Cost (\$000)	8,961	14,945	149,277	111,948	114,655	73,988	N/A	N/A	N/A
Total Technical Assistance Cost (\$000)	111,521	93,903	91,946	93,780	79,476	67,056	N/A	N/A	N/A
Total Procurement Assistance Cost (\$000)	39,432	49,573	39,714	54,858	42,302	50,167	N/A	N/A	N/A

Barriers to opportunity still prevent some individuals from taking full advantage of the opportunity to own a small business. By expanding the ability for more Americans to realize their business ownership dreams, the foundation of the economy will be further diversified and strengthened. The SBA seeks to foster an environment where small businesses can overcome barriers to economic opportunity in all areas of business development, including government contracting. This assistance will provide greater economic opportunity that will further contribute to the growth of the American economy.

During FY2004 the indicators used to measure SBA achievements closing the gaps faced by some groups were restructured. This makes it very difficult to place this year's performance in the context of previous years at the Agency's level. However, the changes will enable better capturing of performance indicators into the future.

During FY2004, the SBA provided financial, technical or procurement assistance to 612,890 small businesses facing special competitive opportunity gaps (COGs). This is

the first year were SBA is capturing clients trained and clients served under ED. The previous indicator only reported clients served. Since these are new indicators, and ED programs contribute the bulk of technical assistance, no goal for FY2004 SBA total for technical assistance is being reported as N/A. Appendix 10 contains information about the discontinued performance indicator. It should be noted that, in this case, the number of businesses provided financial, technical or procurement assistance is treated as an outcome, as well as an output, in order to ensure that Agency programs do not selectively decrease the number of clients served as a means of achieving greater measures of average business success. It should be noted that, in this case, the number of businesses provided financial, technical or procurement assistance is treated as an outcome, as well as an output, in order to ensure that Agency programs do not selectively decrease the number of clients served as a means of achieving greater measures of average business success. In that regard, SBA is working to develop the data systems to support the outcome measures dealing with the success of COGs assisted by the Agency, including measures of survivability, job creation and revenue growth.



SBA Financial Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ¹⁰¹	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal ¹⁰²
Capital Access										
7 (a) Loan Program	Loans approved (number)	N/A ¹⁰³	28,857	41,605	44,617 ¹⁰⁴	60,787 ¹⁰⁵	46,847	50,000	69%	289,024
504 Loan Program	Loans approved (number)	N/A	3,004	3,962	4,150 ¹⁰⁶	6,207	4,257	4,400	70%	26,778
MicroLoan Program	Loans approved (number)	N/A	2,221	2,073	N/A ¹⁰⁷	1,936 ¹⁰⁸	N/A	N/A	N/A	N/A
SBIC	SBIC Financing (\$ million)	N/A	N/A	190	200	UNAVAIL. ¹⁰⁹	225	225	58%	1,100
	Financings (number) ¹¹⁰	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Small businesses financed in low-income census tract (number) ¹¹⁰	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Financing in low-income census tract (number) ¹¹⁰	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Small businesses receiving financings (number) ¹¹⁰	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
International Trade	Loans approved (number)	N/A	N/A	1,477	N/A	1,929	2,100	2,150	124%	6,179
	Value Export sales financing (\$)	N/A	N/A	373,059	N/A	467,949	508,200	520,300	125%	1,496,449

¹⁰¹ Values that are indicated in italics are estimates.

¹⁰² For goals and estimates starting after 2003, FY 03-07 Goal represents data from start year until 2007.

¹⁰³ Not Applicable (N/A).

¹⁰⁴ The original number reported in FY2003 was 42,493. This number was adjusted to reflect changes in the of coding of loans that contribute to this Long-Term Objective.

¹⁰⁵ During FY2004 loans guaranteed in HubZone, LMI census tracts, EZ/EC and Special Target zones were included in the value of this indicator.

¹⁰⁶ The original number reported in FY2003 was 3,953. This number was adjusted to reflect changes in the of coding of loans that contribute to this Long-Term Objective.

¹⁰⁷ The value for MicroLoans is different from what was reported in FY2003 because double counting has been eliminated. Additionally, only MicroLoans within the categories of small business owners included in LTO 2.3 were counted.

¹⁰⁸ Value as of October 19, 2004. Values will be updated to reflect actual 2004 MicroLoan program loans in the FY2005 PAR.

¹⁰⁹ Unavailable (UNAVAIL.).

¹¹⁰ New performance indicator.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
NMVC	Value financing (\$ million)	N/A	0.5	2.7	8.0	9.7	11	25	82%	47
	Small businesses receiving financings (number)	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Operational Assistance (\$ million)	N/A	0.5	1.3	1.9	2	4	3	94%	10
	Small businesses financed in low-income census track (number) ¹¹¹	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Financing in low-income census track (number) ¹¹¹	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
Surety Bonds	Bonds guaranteed (number) ¹¹¹	1,833	2,105	3,381	3,350	2,179	2,397	2,800	55%	22,984
	Total Receiving OCA Financing Assistance	1,833	36,187	51,021	52,117	71,109	53,501	57,200	70%	338,786

¹¹¹ New performance indicator.



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Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Financial Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
District Offices										
Capital Access										
7 (a) Loan Program	Loans approved (number)	N/A	28,857	41,605	44,617	60,787	46,847	50,000	69%	289,024
504 Loan Program	Loans approved (number)	N/A	3,004	3,962	4,150	6,207	4,257	4,400	70%	26,778
MicroLoan Program	Loans approved (number)	N/A	2,221	2,073	N/A	1,936 ¹¹²	N/A	N/A	N/A	N/A
International Trade	Loans approved (number)	N/A	N/A	1477	N/A	1,929	2,100	2,150	124%	6,179
	Value Export sales financing (\$)	N/A	N/A	373,059	N/A	467,949	508,200	520,300	125%	1,496,449
Surety Bonds	Bonds guaranteed (number)	1,833	2,105	3,381	3,350	2,179	2,397	2,800	55%	22,984
	Total Receiv-ing OCA Financial Assistance	1,833	36,187	51,021	52,117	71,109	53,501	57,200	70%	338,786

¹¹² Value as of October 19, 2004. Values will be updated to reflect actual 2004 MicroLoan program loans in the FY2005 PAR.

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.									
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).									
SBA Program Level-Financial Assistance									
SBA Programs	Cost Measures	Program Annual Cost							
		FY 2001 Actual	FY 2002 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Capital Access									
7(a) Program	Total Cost (\$000) ¹¹³	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Subsidy Cost (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Asset Sales (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Lender Oversight (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
504 Loan Program	Total Cost (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Asset Sales (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Lender Oversight (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A

113 The total cost for the 7(a) Loan Program under LTO 2.3 will be reported once the methodology for calculating Loan Servicing, Loan Liquidation, Asset Sales, and Lender Oversight cost for this Long-Term Objective has been determined. Because LTO 2.3 is a subset of 2.1 and 2.2 its cost has been included in those Long-Term Objectives. Consequently, the lack of the cost for this LTO does not affect the calculation of the total cost for Strategic Goal 2.

114 The total cost for the 504 Loan Program under LTO 2.3 will be reported once the methodology for calculating Loan Servicing, Loan Liquidation, Asset Sales, and Lender Oversight cost for this Long-Term Objective has been determined. Because LTO 2.3 is a subset of 2.1 and 2.2 its cost has been included in those Long-Term Objectives. Consequently, the lack of the cost for this LTO does not affect the calculation of the total cost for Strategic Goal 2.



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).

SBA Program Level-Financial Assistance

SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
MicroLoan Program	Total Cost (\$000)	N/A	N/A	6,002	4,912	3,666	N/A	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	N/A	2,953	N/A	2,377	N/A	N/A	N/A	N/A
	Loan Subsidy (\$000)	N/A	N/A	3,879	1,603	1,204	N/A	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	N/A	2,243	1,841	3,398	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	N/A	3,708	3,028	200	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	N/A	51	43	69	N/A	N/A	N/A	N/A
International Trade	Total Cost (\$000)	4,164	4,990	5,811	5,431	5,447	6,289	N/A	N/A	N/A
NMVC	Total Cost (\$000)	716	5,152	12,626	495	472	666	N/A	N/A	N/A
SBIC	Total Cost (\$000)	3,546	4,203	3,666	3,846	3,818	4,604	N/A	N/A	N/A
Surety Bond	Total Cost (\$000)	535	600	691	824	533	886	N/A	N/A	N/A
	Cost per Bond Guarantee (\$)	292	285	204	246	245	370	N/A	N/A	N/A
	Total Financial Assistance Cost (\$000)	8,961	14,945	149,277	111,948	114,655	73,988	N/A	N/A	N/A

U.S. SMALL BUSINESS ADMINISTRATION									
Results and Budgetary Resources									
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Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).									
SBA Program Level-Financial Assistance									
SBA Programs	Cost Measures	Program Annual Cost							
		FY 2001 Actual	FY 2002 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
District Office									
Capital Access									
7(a) Program	Total Cost (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Subsidy Cost (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	TBD	TBD	TBD ¹¹⁵	TBD	N/A	N/A	N/A
	Asset Sales (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Lender Oversight (\$000)	N/A	TBD	TBD	TBD	TBD	N/A	N/A	N/A

¹¹⁵ The date of transfer of the liquidation function from the field offices to the National Guarantee Purchase Center was March, 2004. This cost was incurred prior to that date.



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).

SBA Program Level-Financial Assistance

SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03–07 Estimate
504 Loan Program	Total Cost (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Cost Per Loan Liquidated (\$)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Subsidy Cost (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Asset Sales (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A
	Lender Oversight (\$000)	N/A	TBD	TBD	TBD	TBD	TBD	N/A	N/A	N/A

U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Financial Assistance										
SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
MicroLoan Program	Total Cost (\$000)	N/A	N/A	2,133	12	1,257	N/A	N/A	N/A	N/A
	Cost Per Loan Approved (\$)	N/A	N/A	866	N/A	646	N/A	N/A	N/A	N/A
	Subsidy Cost (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Loan Approving (\$000)	N/A	N/A	1,796	6	1,250	N/A	N/A	N/A	N/A
	Loan Servicing (\$000)	N/A	N/A	268	6	3	N/A	N/A	N/A	N/A
	Loan Liquidation (\$000)	N/A	N/A	69	N/A	4	N/A	N/A	N/A	N/A
Surety Bond	Total Cost (\$000)	137	281	329	391	256	402	N/A	N/A	N/A
	Cost per Surety Bond (\$)	75	133	97	117	117	168	N/A	N/A	N/A
	Total Financial Assistance Cost (\$000)	137	281	42,187	35,705	38,291	47,919	N/A	N/A	N/A

During FY2004, SBA successfully increased the number of small business ownerships within certain segments of society facing special competitive opportunity gaps (COG) by increasing the number of loan guaranties approved by its programs. As reflected in the tables above, **the Agency's Office of Capital Access (OCA) provided financing assistance to an estimated 71,109 COGs, exceeding its FY2004 goal of 52,117.**

The main reason for this large increase is that small businesses located in economically distressed areas are now counted as COGs. If the special zones are subtracted, the SBA approved 50,253 loans, exceeding the set goal of 44,617. Besides assisting in the success of individual entrepreneurs, these loans have a heightened impact within the group the business owner belongs to, or in the disadvantaged area where the business is located.



The tables below show the contributions of various SBA programs to increasing business ownership and success among COGs. The accompanying bar charts show the

historical trends of financing assistance by the SBA to each of the groups, and its impact on business ownership within these populations.¹¹⁶

Special Competitive Opportunity Gaps										
Start-up Businesses										
Business Owner Type	7(a) Loan Program					504 Loan Program				
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African Americans	780	687	685	889	1,233	38	49	27	35	43
Asians	1,389	1,255	1,555	1,860	2,382	175	183	167	233	275
Hispanics	1,029	1,017	1,014	1,154	1,812	27	59	39	75	76
Native Americans	166	165	184	156	196	2	8	9	14	4
Minorities	3,364	3,124	3,438	4,059	5,623	242	299	242	357	398
Women	3,501	3,210	3,286	3,979	5,293	166	195	186	241	305
Rurals	2,400	2,146	2,245	4,304	5,150	338	344	343	535	613
Veterans	1,342	1,331	1,392	1,650	2,063	71	72	60	79	111
Existing Businesses										
Business Owner Category	7(a) Loan Program					504 Loan Program				
	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African Americans	1,221	1,119	1,338	2,738	3,412	81	81	98	107	139
Asians	3,971	3,856	5,086	6,870	8,614	303	426	441	544	828
Hispanics	2,194	2,271	2,918	4,443	5,264	250	280	301	440	532
Native Americans	360	375	422	592	568	13	24	21	32	31
Minorities	7,746	7,621	9,764	14,643	17,858	634	787	840	1,091	1,499
Women	5,715	5,801	7,078	10,353	12,389	551	779	735	925	1,096
Rurals	4,270	3,879	3,941	9,130	10,432	735	871	851	1,247	1,668
Veterans	3,469	3,371	4,057	5,107	5,835	336	340	380	438	340

In FY2004, OCA increased its lending under the Agency 7(a) and 504 lending programs, by exceeding its goals for these two major small business loan programs. The number of 7(a) loans approved to competitive opportunity gap small businesses (COGs) in FY2004 was 60,787. The

goal was 44,617 or 61% of the total number of such loans approved. For the 504 program, the number of loans to COG small businesses was 6,207. The goal was 4,150 or 55% of the total number of 504 loans approved.

¹¹⁶ The totals representing each one of the categories in a given year are not additive, since, for example, a loan given to an Hispanic woman would be counted in both categories.

7(a) Loan Program Percentage of Total Loans by Race and National Origin

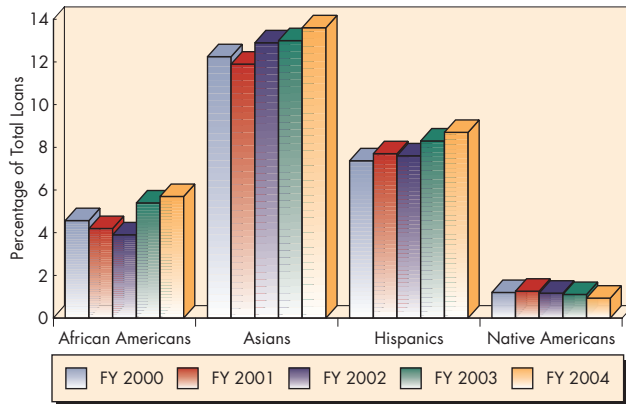


Figure: 32

7(a) Loan Program Percentage of Total Loans by Owner Type

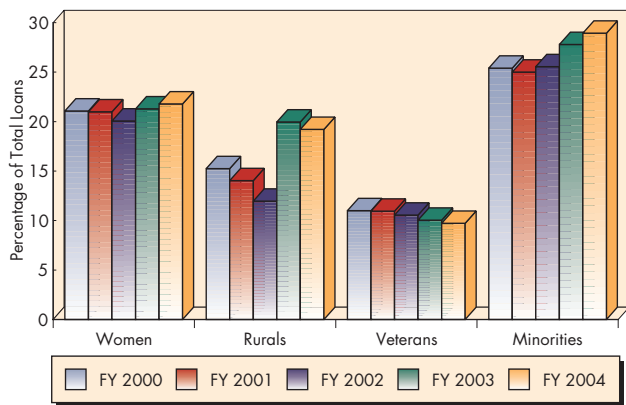


Figure: 33

During FY2004, the SBA continued the upward trend for 7(a) lending to all minorities as a whole (*Figure 32*). Two subprograms were mostly responsible for this increase. The SBA Express led the way, with loans to minorities mimicking its increase in total loans. The Community Express program approved about 4,000 loans, of which 69% were to minorities, 56% were to women and 12% were to veterans. The only group not reflecting this positive trend was Native Americans. The SBA has focused marketing and outreach and technical assistance programs toward the Native American population, which are expected to contribute to increasing the financings within this group.

Particularly noteworthy is the change within 7(a) loans to small businesses in rural areas (*Figure 33*). From FY2000 to FY2002, there was a continuous increase in the percentage of 7(a) loans to this group. During FY2003 and FY2004, loans approved to this group went from 11% to 19% of the total 7(a) portfolio. A factor in this increase was the consolidation of loan liquidation functions, which freed up field employees to be out working hand-in-hand with local economic development leaders. SBA field offices established alternate worksites (AWS) that geographically dispersed their workforces to penetrate markets and communities heretofore underserved.

Under the new structure, the field offices managed their resources more strategically and focused their efforts on specific segments of their community who face opportunity gaps. As a result, in FY2004, SBA field offices oversaw volume records in loans to women, minorities, veterans and borrowers in rural areas. A successful illustration is in Region VIII, where SBA field employees made a special effort to advocate for rural small businesses. Several strategies were successfully employed to create a positive impact on businesses in rural America, including numerous roundtable meetings with small business owners, Chambers of Commerce and local economic development officials to discuss how SBA could better serve their communities. As a direct result, **7(a) loans to rural businesses were up a full 15% over last year.** This upward trend is occurring in every target market.



7(a) Loans Program Percentage of Total Loans by Race and National Origin to Start-Ups

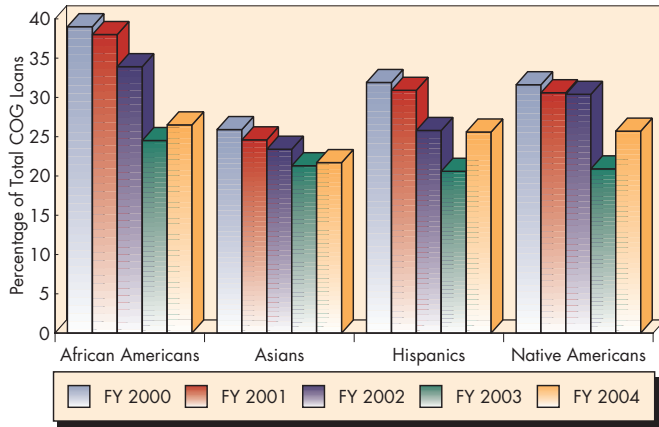


Figure: 34

During FY2004, the number of COG small businesses start-ups financially assisted by the SBA showed an increase after a continuous decrease since FY2002 (*Figure 34 and 35*). The SBA is conducting a program evaluation study during FY2005; one of the expected results is the determination of the right comparison group. Once this has been accomplished, the Agency will be able to determine if this type of trend is unique to small businesses served by the SBA, or of it is the reflection of a general trend among small businesses.

7(a) Loans Program Percentage of Total Loans by Owner Type to Start-Ups

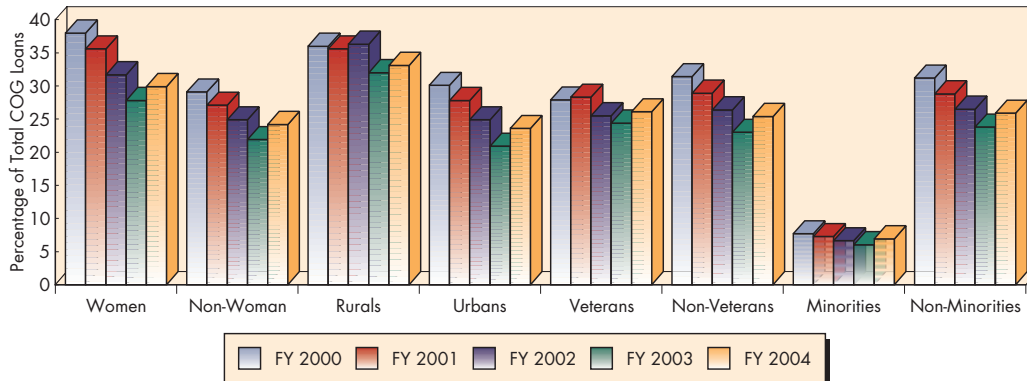
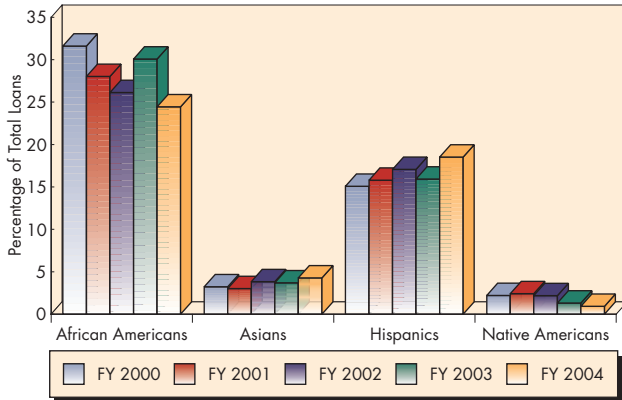


Figure: 35

Special Competitive Opportunity Gaps					
MicroLoans Program					
Start-up Businesses					
Business Owner Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African Americans	387	401	375	409	316
Asians	49	38	71	52	60
Hispanics	240	277	306	260	313
Native Americans	28	46	43	22	8
Minorities	704	762	795	743	697
Women	130	108	112	97	104
Veterans	148	144	112	105	107
Existing Businesses					
Business Owner Category	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African Americans	328	316	332	363	289
Asians	24	40	33	43	46
Hispanics	101	127	156	149	147
Native Americans	22	16	16	12	15
Minorities	475	499	537	567	497
Women	54	58	83	102	93
Veterans	49	66	84	79	51



MicroLoan Program Percentage of Total Loans By Race and National Origin



In contrast to the 7(a) loan program, MicroLoans showed during FY2004 a fairly stable portfolio composition compared to previous years (Figure 37).

However, even though the percentage of MicroLoans approved to minorities as a total has remained fairly constant, the various groups composing this business owner type have behaved differently (Figure 36).

Figure: 36

MicroLoan Program Percentage of Total Loans By Owner Type

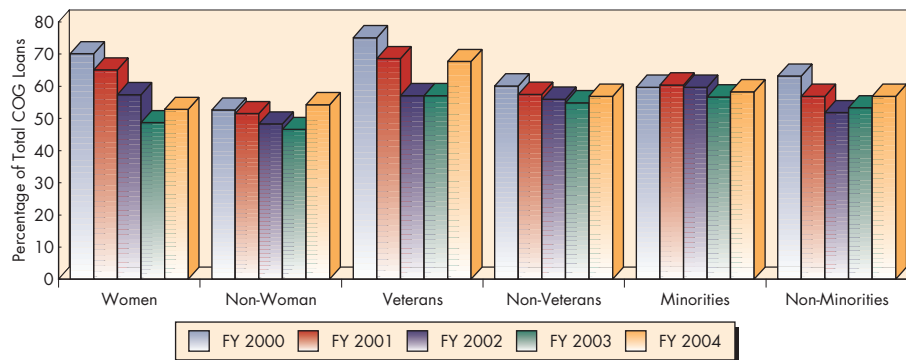


Figure: 37

MicroLoan Program Percentage of Total Loans By Race and National Origin to Start-Ups

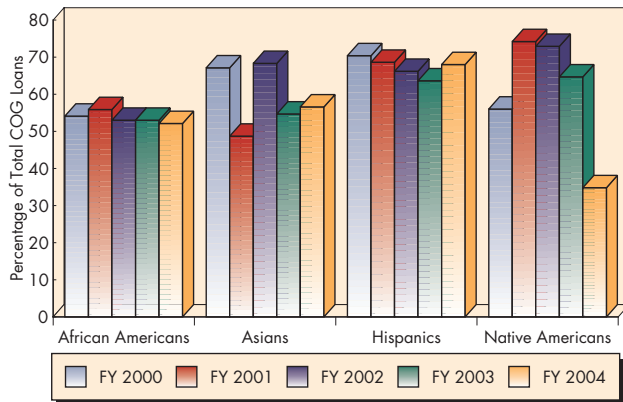


Figure: 38

A characteristic of the MicroLoan program is that every group (COG or not) shows a high proportion of start-ups. However, during FY2004, there was a significant decrease for Native Americans in the ratio of start-ups to existing small businesses financed with MicroLoans (*Figure 39*). This could represent a shift to 7(a) loans by Native Americans to start businesses. The net decrease in Native American start-ups using MicroLoans was 14, compared to FY2003, while 7(a) loans showed a 40-loan increase to Native American start-ups.

MicroLoan Program Percentage of Total Loans By Owner Type to Start-Ups

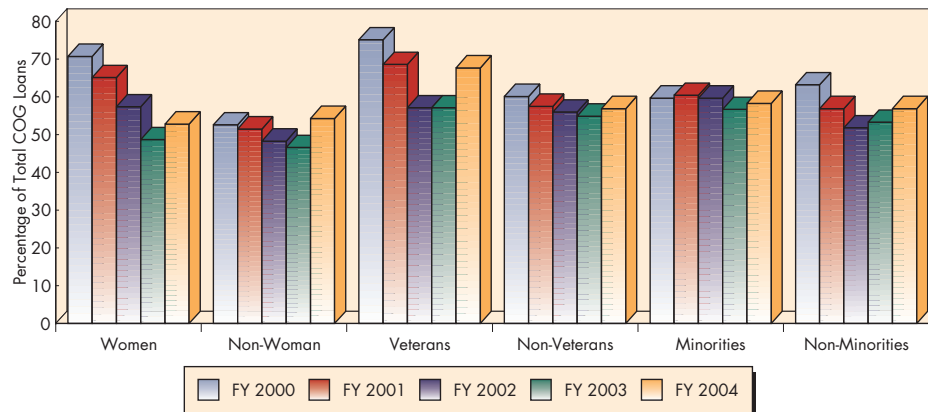


Figure: 39

As the following pie charts show, SBA's financing programs contribute to different degrees to the various categories that compose the special competitive gap market. In every case, 7(a) loans hold the largest share of loans approved to a given group. African American and Native American owned businesses are the largest users of MicroLoans.

Loans to Asians by Loan Program Existing & Start-Up Firms

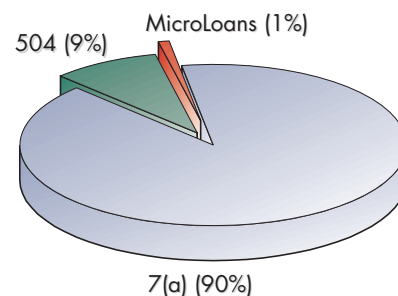


Figure: 40



Loans to Native Americans by Loan Program Existing & Start-up Firms

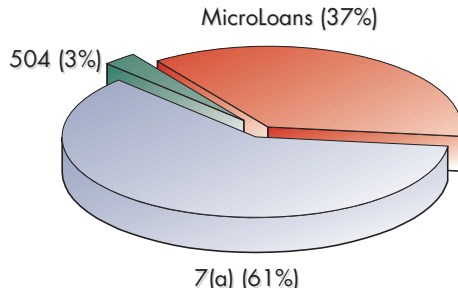


Figure: 41

Loans to Women by Loan Program Existing & Start-up Firms

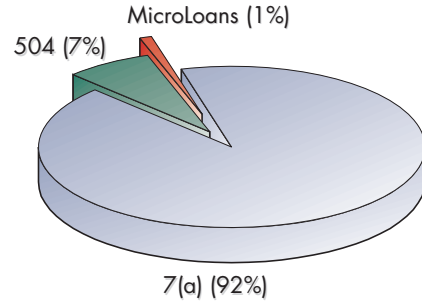


Figure: 44

Loans to African Americans by Loan Program Existing & Start-up Firms

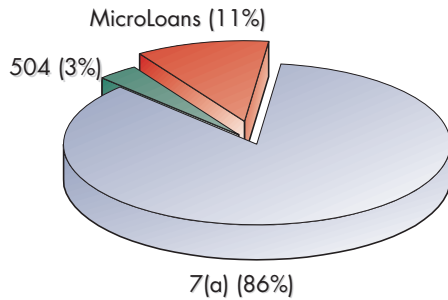


Figure: 42

Loans to Rural by Loan Program Existing & Start-up Firms

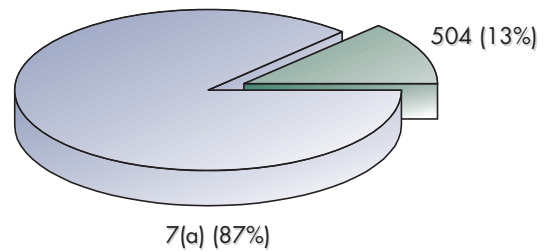


Figure: 45

Loans to Hispanics by Loan Program Existing & Start-up Firms

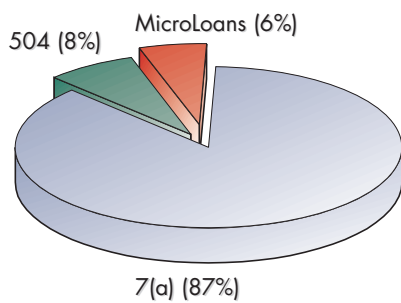


Figure: 43

Loans to Veterans by Loan Program Existing & Start-up Firms

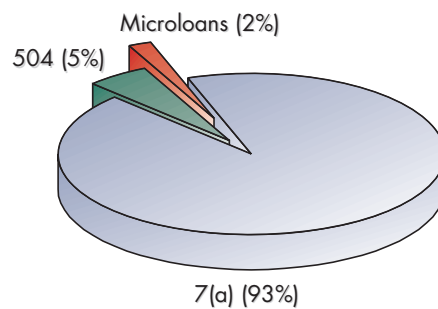


Figure: 46

Special Competitive Opportunity Gaps					
International Trade Loans					
Start-up Businesses					
Business Owner Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African-Americans	5	2	2	11	14
Asians	10	3	5	11	29
Hispanics	10	1	9	13	27
Native-Americans	0	0	2	5	6
Minorities	25	6	18	40	76
Women	15	4	10	34	52
Rurals	13	6	6	43	69
Veterans	11	9	7	15	34
Existing Businesses					
Business Owner Type	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
African-Americans	22	6	23	43	99
Asians	122	86	120	272	308
Hispanics	65	58	71	166	186
Native-Americans	7	8	11	28	18
Minorities	216	158	225	509	611
Women	65	82	76	231	363
Rurals	90	63	73	274	399
Veterans	102	69	65	173	259

During the past year, the SBA made special efforts to increase the number of trade loans awarded to especially under served small businesses. SBA approved 1,929 loans with a dollar value of \$467,949, compared to 1477 loans

with a dollar value of \$373,059 in FY2003, representing a 30% increase. The COG composition of the international trade loans is as follows:



International Trade Loans Percentage of Total Loans By Race and National Origin

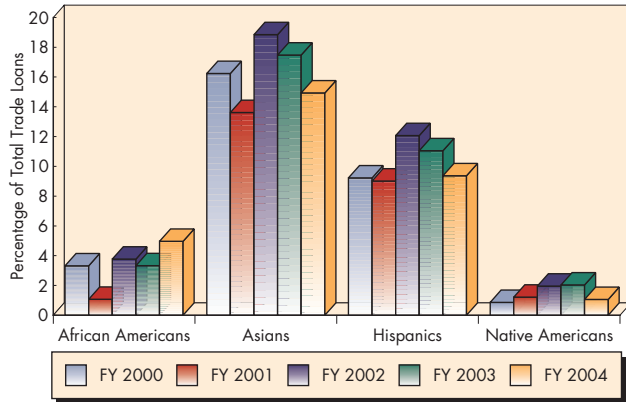


Figure: 47

International Trade Loans Percentage of Total Loans By Owner Type

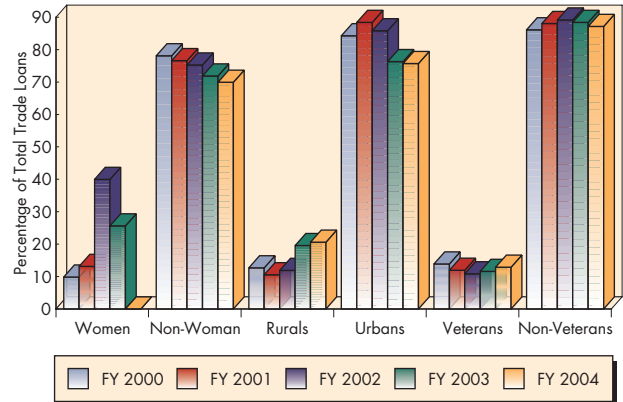


Figure: 48

SBA Technical Assistance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ¹¹⁷	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal ¹¹⁸
Capital Access										
MicroLoan Program	Hours of technical assistance (number)	N/A	N/A	N/A	N/A	UNAVAIL ¹¹⁹	N/A ¹²⁰	N/A	N/A	N/A
	Small businesses receiving technical assistance ¹²¹ (number)	N/A	N/A	N/A	N/A	UNAVAIL ¹²²	N/A	N/A	N/A	N/A
International Trade ¹²³	Attendees trained (number)	N/A	N/A	N/A	N/A	1,292	1,400	1,550	100%	4,242
	Clients counseled (number)	N/A	N/A	N/A	N/A	3,250	3,500	3,600	100%	10,350
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Lenders trained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
Prime Technical Assistance	Not Measured (N/M)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/A	N/M
	Total Receiving OCA Technical Assistance	N/A	N/A	N/A	N/A	4,542	4,900	5,150	N/A	14,592

¹¹⁷ Values that are indicated in *italics* are estimates.

¹¹⁸ For goals and estimates starting after 2003, FY 03-07 Goal represents data from start year until 2007.

¹¹⁹ Microloan hours of technical assistance are year-to-date as of October 19, 2004.

¹²⁰ No funding was requested for this program in the FY2005 budget submission.

¹²¹ Unavailable (UNAVAIL.).

¹²² New performance indicator.

¹²³ All International Trade performance indicators under SBA Technical Assistance are new.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Gov. Contracting / Business Development										
HUBZone	Training to small businesses leaving the program ¹²⁴ (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Training to newly ¹²⁵ designated HUB-Zone communities (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
7(i) Program	Face-to-face training	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000
	Total Receiving GCBD Technical Assistance	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000

¹²⁴ New performance indicator.

¹²⁵ New performance indicator.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Entrepreneurial Development ¹²⁶										
SCORE	Attendees trained (number)	N/A	N/A	N/A	N/A	51,148	40,038	41,239	107%	123,753
	Clients counseled (number)	N/A	N/A	N/A	N/A	76,241	59,681	61,471	107%	184,468
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
SBDC ¹²⁷	Attendees trained (number)	N/A	N/A	N/A	N/A	203,687	172,034	177,195	104%	531,740
	Clients counseled (number)	N/A	N/A	N/A	N/A	111,136	93,866	96,682	104%	290,130
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
WBC ¹²⁸	Attendees trained (number)	N/A	N/A	N/A	N/A	50,573	39,068	40,240	108%	120,755
	Clients counseled (number)	N/A	N/A	N/A	N/A	26,652	18,114	18,657	113%	55,988
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Online users counseled online (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD

¹²⁶ All Entrepreneurial Development performance indicators in this Long-Term Objective are new performance indicators.

¹²⁷ Small Business Development Center (SBDC).

¹²⁸ Women's Business Center.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level - Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY2001 Actual	FY2002 Actual	FY2003 Actual	FY 2004 Goal	FY 2004 Actual	FY2005 Goal	FY2006 Goal	% Achieved by FY06	FY 03-07 Goal
SBTN ¹²⁹	Online users taking online courses (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Registered clients taking online courses (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
NAO ¹³⁰	Clients trained (number)	N/A	N/A	N/A	N/A	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL
	Total Receiving ED Technical Assistance ¹³¹	N/A	N/A	N/A	N/A	519,437	422,801	435,484	105%	1,306,834

¹²⁹ Small Business Training Network (SBTN).

¹³⁰ Native American Outreach (NAO).

¹³¹ Entrepreneurial Development values for technical Assistance Output measures would normally be comprised of Minorities, Veterans, and Women. We have included the numbers for women only to avoid double-counting. FY2006 report will provide better data.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices ¹³²										
MicroLoan Program	Hours of technical assistance (number)	N/A	N/A	N/A	N/A	UNAVAIL.	N/A	N/A	N/A	N/A
	Small businesses receiving technical assistance (number)	N/A	N/A	N/A	N/A	UNAVAIL.	N/A	N/A	N/A	N/A
International Trade	Attendees trained (number)	N/A	N/A	N/A	N/A	1,292	1,400	1,550	100%	4,242
	Clients counseled (number)	N/A	N/A	N/A	N/A	3,250	3,500	3,600	100%	10,350
	Training hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Counseling hours (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Lenders trained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
Prime Technical Assistance	Not Measured (N/M)	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/A	N/M
	Total Receiving OCA Technical Assistance	N/A	N/A	N/A	N/A	4,542	4,900	5,150	N/A	14,592
Gov. Contracting / Business Development										
HUBZone	Training to small businesses leaving the program (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Training to newly designated HUB-Zone communities (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
7(i) Program	Face-to-face training	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000
	Total Receiving GCBD Technical Assistance	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000

¹³² All District Offices performance indicator in this Long-Term objective with the exception of "MicroLoan,- Hours of Technical Assistance" are new performance indicators.



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).

SBA Program Level-Technical Assistance

SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
SCORE	Clients counseled (number)	N/A	N/A	N/A	N/A	76,241	59,681	61,471	107%	184,468
	Attendees trained (number)	N/A	N/A	N/A	N/A	51,148	40,038	41,239	107%	123,753
SBDC	Clients counseled (number)	N/A	N/A	N/A	N/A	111,136	93,866	96,682	104%	290,130
	Attendees trained (number)	N/A	N/A	N/A	N/A	203,687	172,034	177,195	104%	531,740
WBC	Clients counseled (number)	N/A	N/A	N/A	N/A	26,652	18,114	18,657	113%	55,988
	Attendees trained (number)	N/A	N/A	N/A	N/A	50,573	39,068	40,240	108%	120,755
SBTN	Online users taking online courses (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Registered clients taking online courses (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
NAO	Clients trained (number)	N/A	N/A	N/A	N/A	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL	UNAVAIL
	Total Receiving ED Technical Assistance	N/A	N/A	N/A	N/A	519,437	422,801	435,484	105%	1,306,834

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Intermediate Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
Entrepreneurial Development ¹³³										
SCORE	Jobs Created/Retained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Revenue (\$ million)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
SBDC	Jobs Created/Retained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Revenue (\$ million)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
WBC ¹³⁴	Jobs Created/Retained (number)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Revenue (\$ million)	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
	Total ED Jobs Created/Retained	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD	TBD
Gov. Contracting/Business Development ¹³⁵										
HUBZONE	Jobs Created/Retained (number)	N/A	N/A	N/A	N/A	150,000	157,500	165,375	95%	496,519
	Total GCBD Jobs Created/Retained	N/A	N/A	N/A	N/A	150,000	157,500	165,375	95%	496,519

¹³³ All of Entrepreneurial Development's Intermediate Outcome measures in this Long-Term Objective are new performance indicators.

¹³⁴ Employment and revenue data reported in this section is submitted voluntarily by Women's Business Center clients. As such, information collected from the clients may not be complete or fully comparable across centers.

¹³⁵ New performance indicator.



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
2.3.1 Increase the number of start-ups and existing small businesses facing special competitive opportunity gaps (COG) receiving SBA assistance.										
Capital Access										
MicroLoan Program	COG assisted	N/A	N/A	N/A	N/A	UNAVAIL.	N/A	N/A	N/A	N/A
International Trade	COG assisted	N/A	N/A	N/A	N/A	4,542	4,900	5,150	100%	14,592
Prime Technical Assistance	COG assisted	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
	Total COG Assisted	N/A	N/A	N/A	N/A	4,542	4,900	5,150	100%	14,592
Gov. Contracting / Business Development										
7(J)	COG assisted ¹³⁶	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000
	Total COG Assisted	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000
Entrepreneurial Development										
SCORE	COG assisted	N/A	N/A	N/A	N/A	127,389	99,719	102,710	107%	308,221
SBDC	COG assisted	N/A	N/A	N/A	N/A	314,823	265,900	273,877	104%	821,870
WBC	COG assisted	N/A	N/A	N/A	N/A	77,225	57,182	58,897	109%	176,743
NAO	COG assisted	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Total COG ¹³⁷ Assisted	N/A	N/A	N/A	N/A	519,437	422,801	435,484	105%	1,306,834
District Offices										
MicroLoan Program	COG assisted	N/A	N/A	N/A	N/A	UNAVAIL.	N/A	N/A	N/A	N/A
International Trade	COG assisted	N/A	N/A	N/A	N/A	4,542	4,900	5,150	100%	14,592
Prime Technical Assistance	COG assisted	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M	N/M
7(I)	COG assisted	N/A	N/A	N/A	4,000	5,776	2,000	3,000	90%	12,000
SCORE	COG assisted	N/A	N/A	N/A	N/A	127,389	99,719	102,710	107%	308,221
SBDC	COG assisted	N/A	N/A	N/A	N/A	314,823	265,900	273,877	104%	821,870
WBC	COG assisted	N/A	N/A	N/A	N/A	77,225	57,182	58,897	109%	176,743
NAO	COG assisted	N/A	N/A	N/A	N/A	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.	UNAVAIL.
	Total GOG Assisted	N/A	N/A	N/A	4,000	529,755	429,701	443,634	105%	1,333,426

¹³⁶ New performance indicator.

¹³⁷ Entrepreneurial Development values for COGs assisted would normally be comprised of Minorities, Veterans, and Women. We have included the numbers for Women only to avoid double-counting. FY2006 report will provide better data.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Cost Measures	Program Annual Cost Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Capital Access										
MicroLoan Program	Total Cost (\$000)	N/A	N/A	15,127	12,062	8,767	N/A	N/A	N/A	N/A
	Total Cost per hour (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Tech Asst (\$000)	N/A	N/A	228	188	702	N/A	N/A	N/A	N/A
	Tech Asst Training(\$000)	N/A	N/A	259	106	55	N/A	N/A	N/A	N/A
	Tech Asst Grants (\$000)	N/A	N/A	14,640	11,768	8,010	N/A	N/A	N/A	N/A
	Total OCA Technical Assistance Cost (\$000)	N/A	N/A	15,127	12,062	8,767	N/A	N/A	N/A	N/A
Gov Contracting / Business Development										
7(i) Program	Total Cost (\$000)	7,323	4,534	2,803	4,187	4,626	3,274	N/A	N/A	N/A
	Cost per participant	N/A	N/A	N/A	1,047	801	1,637	N/A	N/A	N/A
	Total GCBD Technical Assistance Cost (\$000)	7,323	4,534	2,803	4,187	4,626	3,274	N/A	N/A	N/A
Entrepreneurial Development										
SCORE	Total Cost (\$000)	6,882	7,307	6,360	7,134	6,209	6,307	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	49	63	N/A	N/A	N/A
SBDC	Total Cost (\$000)	65,355	61,044	51,418	52,980	44,643	41,344	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	142	155	N/A	N/A	N/A
WBC	Total Cost (\$000)	31,961	21,018	16,238	17,417	15,232	16,130	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	197	282	N/A	N/A	N/A
	Total ED Technical Assistance Cost (\$000)	104,198	89,369	74,016	77,531	66,084	63,781	N/A	N/A	N/A



U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Technical Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measure								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
District Offices										
Capital Access										
Microloan Program	Total Cost (\$000)	N/A	N/A	309	264	22	N/A	N/A	N/A	N/A
	Total Cost per Hour (\$000)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Tech Asst (\$000)	N/A	N/A	309	264	22	N/A	N/A	N/A	N/A
	Tech Asst Training(\$000)	N/A	N/A	0	0	0	N/A	N/A	N/A	N/A
	Tech Asst Grants (\$000)	N/A	N/A	0	0	0	N/A	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	N/A	N/A	309	264	22	N/A	N/A	N/A	N/A
Gov Contracting / Business Development										
7(j) Program	Total Cost (\$000)	2,278	593	350	619	611	543	N/A	N/A	N/A
	Cost per participant	N/A	N/A	N/A	155	106	272	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	2,278	593	350	619	611	543	N/A	N/A	N/A
Entrepreneurial Development										
SCORE	Total Cost (\$000)	3,994	4,023	3,585	3,842	2,240	2,033	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	18	20	N/A	N/A	N/A
SBDC	Total Cost (\$000)	42,574	37,179	28,317	29,521	19,248	16,261	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	61	61	N/A	N/A	N/A
WBC	Total Cost (\$000)	7,365	1,942	2,109	2,351	4,206	5,237	N/A	N/A	N/A
	Cost per client served	N/A	N/A	N/A	N/A	54	92	N/A	N/A	N/A
	Total Technical Assistance Cost (\$000)	53,933	43,144	34,011	35,714	25,694	23,531	N/A	N/A	N/A

SBA increased, by 4.3 percent over FY2003, the number of prospective and existing small businesses facing special competitive opportunity gaps (COGs) to which it pro-

vided technical assistance, for a total of 529,755.¹³⁸ This represents the number of traditionally underserved businesses that got access to the information they needed.

¹³⁸ Values for technical assistance output measures representing activity of the Entrepreneurial Development Office would normally be comprised of minorities, veterans and women. In this report the SBA has included the numbers

for women only, since the current data-gathering system cannot separate attributes to avoid double counting, as of a woman veteran-owned business. Better-resolved data will be available for FY2006.

The Small Business Development Company (SBDC) program contributed to meeting SBA's goal for Outcome Measure 2.3.1 by counseling or training 314,823 women. Results for the SBDC program, in terms of performance in assisting COGs, remained relatively stagnant from FY2001 through FY2004, consistent with level funding for those years and a small drop in funding for the Drug Free Workplace Program.

Some of SBA's technical assistance programs such as SCORE, have strategies specifically targeted towards COGs, even though the programs serve small businesses in general. In order to improve the quality and effectiveness of its services, the SCORE program took several steps during FY2004 in reaching a total of 127,359 COGs assisted. For example, recognizing that there are many American entrepreneurs for whom English is a second language, the Office of Business and Community Initiatives' International Visitors Program translated small business briefings into Russian, Arabic, French, Chinese and Japanese. This information is available on the SBA homepage. SCORE has been targeting minority and woman counselors for several years. Approximately 20% of its counselors were minority or women last year, and there are plans to increase this percentage in the coming years, along with adding more bilingual counselors.

Some of SBA's technical assistance programs have a focus targeted to a specific group that faces special competitive opportunity gaps. The Office of Native American Affairs (ONAA) engaged in activities aimed at expanding services to the Native American community during FY2004. It conducted SBA outreach at tribal councils, conferences, small business association meetings and training conferences, and participated in regional and National Native American economic development conferences. Additionally, the ONAA contracted with small businesses to provide services to support Native American companies in the most economically deprived Indian land areas and negotiated two Interagency Agreements. One of these, with the Southwest Polytechnic Institute, developed curricula and provided training for Native American owned small businesses at 100 locations in Indian communities nationwide. This comprehensive marketing effort increased the Indian community's awareness of SBA's existing programs and new programs developed under the initiative.

Women business owners are critically important to the economy. The SBA is a very strong advocate for women entrepreneurs, and is committed to accomplish its mission by seeing clients who are socially and economically disadvantaged. The Women's Business Centers program counseled or trained 77,225 women. The Centers' success at serving segments of society facing competitive opportunity gaps, and how funding is dispersed to WBC grantees based on past performances, are among the factors used to evaluate performance in our evaluation methodology.

Women's Business Centers Program Start-Up & Existing Small Businesses Cost & Results

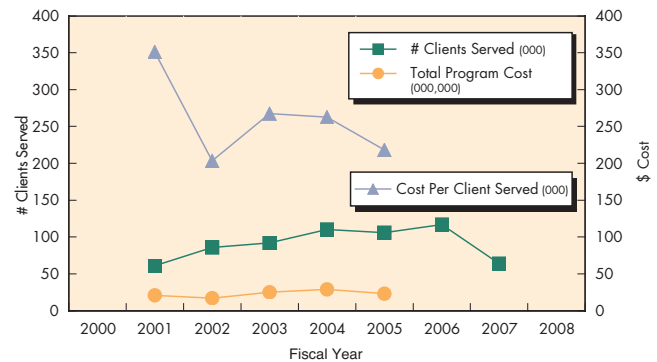


Figure: 49

While the Office of Capital Access focuses primarily on providing financial assistance rather than technical assistance, in FY2004, it devoted approximately 20 million dollars under the PRIME and MicroLoan programs to provide training and technical assistance to almost 10,000 small businesses.

SBA, through the Office of Government Contracting and Business Development, provides technical assistance on prime and subcontracting issues to socially and economically disadvantaged businesses. In FY2004, 7(j) grantees and contractors targeted socially and economically disadvantaged businesses and reached 5,776 businesses. In addition to the 7(j) accomplishments, trained GC field staff counseled over 20,000 businesses and trained over 16,000 small businesses for a total of 36,000.



SBA Procurement Assistance Performance and Cost to Achieve Results

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Procurement Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual ¹³⁹	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
Capital Access										
Surety Bonds	Bonds guaranteed (number)	1,833	2,105	3,381	3,350	2,179	2,397	2,637	46%	22,984
	Total Receiving OCA Procurement Assistance ¹⁴⁰	1,833	2,105	3,381	3,350	2,179	2,397	2,637	46%	22,984
Gov Contracting / Business Development										
HUBZone	HUBZone small businesses certified annually (number)	2,145	2,786	2,338	2,200	2,294	2,200	2,200	82%	11,000
	Program examinations completed (number)	N/A	N/A	N/A	500	505	575	675	90%	1,950
	Program recertification actions (number)	N/A	N/A	N/A	N/A	N/A	3,500	2,700	100%	6,200
8(a) Program	Small businesses participating at year end (number)	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65%	45,807
	Small businesses awarded contracts (number)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	Applications screening (days)	N/A	N/A	N/A	15	15	14	13	67%	10
	Application processing (days)	N/A	N/A	N/A	90	45	45	30	67%	30
	Net number of small businesses certified	N/A	N/A	N/A	500	518	550	600	277%	600
	Total Receiving GCBD Procurement Assistance ¹⁴¹	9,087	9,786	9,881	9,300	9,847	9,550	9,700	69%	56,807

¹³⁹ Values that are indicated in italics are estimates.

¹⁴⁰ Surety-Bonds Guaranteed was added to this total since last reported.

¹⁴¹ Additional measures were added/deleted to this total since last reported.

U.S. SMALL BUSINESS ADMINISTRATION										
Results and Budgetary Resources										
Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.										
Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).										
SBA Program Level-Procurement Assistance										
SBA Programs	Output Measures	Program Annual Output Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
District Offices										
Capital Access										
Surety Bonds	Bonds guaranteed (number)	1,833	2,105	3,381	3,350	2,179	3,725	2,637	55%	22,984
	Total Receiving OCA Procurement Assistance	1,833	2,105	3,381	3,350	2,179	3,725	2,637	55%	22,984
Gov Contracting / Business Development										
HUBZone	HUBZone small businesses certified annually (number)	2,145	2,786	2,338	2,200	2,294	2,200	2,200	82%	11,000
	Program examinations completed (number)	N/A	N/A	N/A	500	505	575	675	90%	1,950
	Program recertification actions (number)	N/A	N/A	N/A	N/A	N/A	3,500	2,700	100%	6,200
8(a) Program	Small businesses participating at year end (number)	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65%	45,807
	Applications screening (days)	N/A	N/A	N/A	15	15	14	13	UNAVAIL.	10
	Application processing (days)	N/A	N/A	N/A	90	45	45	30	UNAVAIL.	30
	Net number of small businesses certified	N/A	N/A	N/A	500	518	550	600	UNAVAIL.	600
	Total Receiving GCBD Procurement Assistance	9,087	9,786	9,881	9,300	9,847	9,550	9,700	69%	56,807



U.S. SMALL BUSINESS ADMINISTRATION Results and Budgetary Resources										
<i>Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.</i> <i>Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).</i>										
SBA Program Level-Procurement Assistance										
SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03-07 Goal
HUBZone	Federal contract dollars awarded (percentage)	.72%	.71%	N/A	3.0%	N/A	3.0%	2.0%	TBD	3.0%
	Capital Investment increase (percentage)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Jobs created/retained (percentage)	N/A	N/A	N/A	N/A	150,000	157,500	157,500	97%	480,375
8(a) Program	Jobs created/retained (number)	N/A	N/A	N/A	N/A	N/A	N/A	TBD	TBD	TBD
	Small businesses still in business 3 years from date of exiting 8(a) program (percentage)	N/A	N/A	N/A	69%	86%	70%	70%	115%	75%

U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources*Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.**Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).***SBA Program Level-Procurement Assistance**

SBA Programs	Outcome Measures	Program Annual Outcome Measures								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Goal	FY 2004 Actual	FY 2005 Goal	FY 2006 Goal	% Achieved by FY06	FY 03–07 Goal
2.3.1 Increase the number of start-ups and existing small businesses facing special competitive opportunity gaps (COG) receiving SBA assistance.										
Capital Access										
Surety Bonds	COG assisted	1,833	2,105	3,381	3,350	2,179	2,397	2,637	55%	22,984
	Total COG Assisted	1,833	2,105	3,381	3,350	2,179	2,397	2,637	55%	22,984
Gov Contracting / Business Development										
HUBZone	COG assisted	2,145	2,786	2,338	2,200	2,294	2,200	2,200	82%	11,000
8(a) Program	COG assisted	6,942	7,000	7,543	7,100	7,553	7,350	7,500	65%	45,807
	Total COG Assisted	9,087	9,786	9,881	9,300	9,847	9,550	9,700	69%	56,807
District Offices										
Surety Bonds	COG assisted	1,833	2,105	3,381	3,350	2,179	2,397	2,637	46%	22,984
HUBZone	COG assisted	2,145	2,786	2,338	2,200	2,294	2,200	2,200	UNAVAIL.	11,000
8(a) Program	COG assisted	6,942	7,000	7,543	7,100	7,553	7,350	7,500	69%	45,807
	Total COG Assisted	10,920	11,891	13,262	12,650	12,026	11,947	12,337	62%	79,791



U.S. SMALL BUSINESS ADMINISTRATION

Results and Budgetary Resources

Strategic Goal 2. Increase small business success by bridging competitive opportunity gaps facing entrepreneurs.

Long-Term Objective 2.3: Significantly increase successful small business ownership within segments of society facing special competitive opportunity gaps (COG).

SBA Program Level-Procurement Assistance

SBA Programs	Cost Measures	Program Annual Cost								
		FY 2001 Actual	FY 2002 Actual	FY 2003 Actual	FY 2004 Estimate	FY 2004 Actual	FY 2005 Estimate	FY 2006 Estimate	% Estimate by FY06	FY 03-07 Estimate
Capital Access										
Surety Bond	Total Cost (\$000)	535	600	691	824	533	886	N/A	N/A	N/A
	Cost per Bond Guarantee	292	285	204	246	245	370	N/A	N/A	N/A
	Total Capital Access Cost (\$000)	535	600	691	824	533	886	N/A	N/A	N/A
Gov Contracting / Business Development										
8(a) Program	Total Cost (\$000)	33,093	42,434	33,375	47,363	34,945	41,984	N/A	N/A	N/A
	Cost per small business	4,767	6,062	4,425	6,671	4,627	5,712	N/A	N/A	N/A
HUBZone	Total cost (\$000)	5,804	6,539	5,648	6,671	6,825	7,297	N/A	N/A	N/A
	Cost per small business	2,706	2,347	2,416	3,032	2,975	3,317	N/A	N/A	N/A
	Total Gov Contracting /Bus Dev Cost (\$000)	38,897	48,973	39,023	54,034	41,769	49,281	N/A	N/A	N/A
	Total Procurement Assistance Cost (\$000)	39,432	49,573	39,714	54,858	42,302	50,167	N/A	N/A	N/A
District Offices										
Capital Access										
Surety Bond	Total Cost (\$000)	137	281	329	391	256	402	N/A	N/A	N/A
	Cost per Surety Bond	75	133	97	117	117	168	N/A	N/A	N/A
	Total Capital Access Cost (\$000)	137	281	329	391	256	402	N/A	N/A	N/A
Gov Contracting/Business Development										
8(a) Program	Total Cost (\$000)	19,202	27,078	22,171	29,739	24,581	19,203	N/A	N/A	N/A
	Cost per small business	2,766	3,868	2,939	4,189	3,255	2,613	N/A	N/A	N/A
HUBZone	Total cost (\$000)	1,763	2,837	2,657	3,031	3,034	3,524	N/A	N/A	N/A
	Cost per small business	822	1,018	1,136	1,378	1,322	1,602	N/A	N/A	N/A
	Total Gov Contracting /Bus Dev Cost (\$000)	20,965	29,915	24,828	32,770	27,615	22,727	N/A	N/A	N/A
	Total Procurement Assistance Cost (\$000)	21,102	30,196	25,157	33,161	27,871	23,129	N/A	N/A	N/A

Through its programs the SBA strives to reach those sectors of the population currently underserved, including ethnic populations, women, veterans, rural and economically distressed areas. During 2004, SBA through the Office of Government Contracting and Business Development (GCBD), focused on the number of small businesses facing special competitive opportunity gaps (COGs) to ensure that procurement assistance provided was significantly beneficial in contributing to their success. As shown in the Outcome Measure table, SBA assistance was provided to a total of 9,847 COGs, exceeding the goal of 9,300 in HUBZone and 8(a) assistance. When the 2,179 Surety Bond guarantees from that program are included, the total procurement assistance provided by SBA to COGs is 12,026, substantially meeting the goal of 12,650. Although a total of approximately 10,900 HUBZone small businesses were enrolled at the end of this fiscal year, they were not included in this tally because the HUBZone Program is not a “business development program,” as is the 8(a) Program.

8(a) Program Competitive Existing Small Businesses Cost & Results

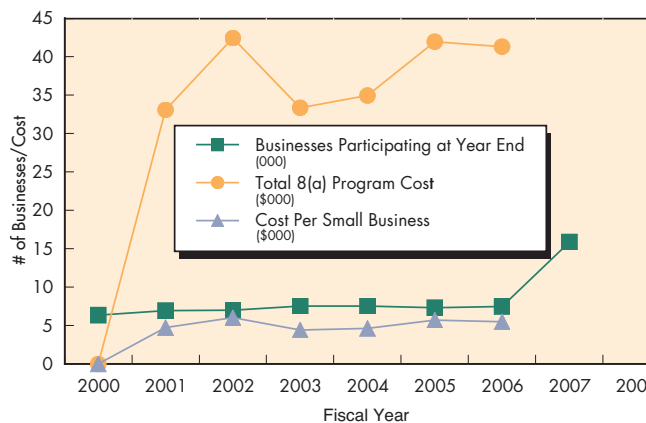


Figure: 50

As the Program Outputs table indicates, SBA was able to achieve several key outputs that support the Outcome Measure for total COGs assisted. These include the following:

- *Over 1,200 net new firms added to 8(a) and SDB programs.* 816 net new firms were added to the Small Disadvantage Businesses (SDB) program and 518 net new firms were added to the 8(a) program.
- *Number of HUBZone firms certified at yearend.* During FY2004, the Agency had a portfolio of 10,921 firms certified as “qualified HUBZone small business concerns.”
- *Yearly number of HUBZone firms certified.* The HUBZone Program certified 2,294 firms during FY2004.

HUBZone Program Existing Small Businesses Cost & Results

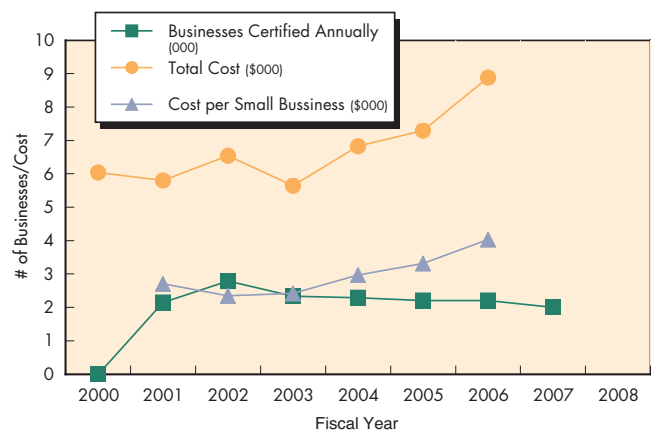


Figure: 51

SBA efforts to reach the number of clients specified as its goal for 2004 included several initiatives that contributed to its ability to increase contracting opportunities for underserved businesses.

HUBZone Special Emphasis Lending Initiative. During FY2004, the HUBZone Program conducted a special emphasis financing initiative for firms certified under the program. Successful performance of small firms on Federal contracts is often predicated upon the availability of capital. Through this initiative, the Agency sought to increase the ability of firms to obtain working capital



and to finance receivables arising out of contract awards. The purpose of the initiative is to increase the ability of HUBZone firms to effectively compete for Federal contract opportunities. This initiative was presented to the Philadelphia District Office for discussion with area bankers and possible implementation as a pilot during FY2005.

Several actions were taken by the SBA during the past year to improve the effectiveness of the services it provides. These initiatives should result in indications of better SBA performance of services to small businesses when SBA implements data systems to track those outcomes. These actions included the following:

HUBZone Procurement Monitoring. During FY2004, the HUBZone Program implemented a fully electronic process for monitoring requirements published in FedBizOps that could have been set aside for award under the program, but were not. The system is intended to increase acquisition Agency awareness of, and compliance with, statutes and regulations regarding award of contracts under the HUBZone Program. By identifying such requirements at the earliest opportunity and automatically notifying procurement officials, the program encourages broader use of the HUBZone Program. Awards of contracts to HUBZone-certified firms cause revenue, profit and employment to flow to disadvantaged communities.

More than fifty members of the National Association of State Agencies for Surplus Property have agreed to sign Memorandums of Understanding (MOUs) with the SBA. These MOUs provide improved access to surplus property for 8(a) participants, grow existing small businesses and contribute to the sustainability of these firms.

The SBA reduced the average number of days to process an 8(a) application from over 100 to 45 days. This reduc-

tion in processing time has resulted in improved customer service, improved quality of application reviews and reduced costs.

The HUBZone program completed 505 Program Examinations during FY2004. These examinations covered issues such as location of principal office, ownership and control by U.S. citizens and employment of HUBZone residents. They are useful in developing ways to improve the effectiveness of HUBZone program assistance because they help the Agency determine how to ensure that procurement preference benefits flow to firms located in distressed urban and rural communities.

Additionally, SBA relies on the Surety Bond Guarantee program from the Office of Capital Access to make bonds accessible to underserved businesses, who can then take advantage of contract opportunities. As the tables indicate, the SBA was unable to meet its performance target of 3,350 bond guarantee approvals for special competitive gap contractors in FY2004. However, 2,179 bond guarantees were approved during the year, for a contract value of \$207,000,000 that created 1,785 jobs. The reason for this shortfall in achieving the goal is that program performance targets were dependent upon the funding requested for fiscal year 2004. Since the Office of Surety Guarantees only received minimal funding, it was unable to meet its goals.

For FY2004, funding was not provided for an electronic processing system, and Office of Surety Guaranty was unable to implement the project. Critical funding for marketing and outreach was also non-existent. Additionally, a proposal to restructure the program's field office component is on hold. The purpose of this plan is to improve customer service and to market the program more effectively. The expected outcome was an increase in assistance to small businesses.